FBIS DAILY REPORT

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L.A. PRESIDENTS BEGIN MINISUMMIT IN COSTA RICA

PA090316 Panama City ACAN in Spanish 0245 GMT 9 May 86

[Text] San Jose, 8 May (ACAN-EFE) -- Eight [as received] Latin American presidents have begun a "minisummit" here to discuss the pacification of Central American and the foreign debt of the hemisphere's developing countries.

Costa Rican President Oscar Arias Sanchez, whose government was sworn in today, revealed that he will submit to the consideration of his colleagues a plan to reach peace in the region gradually within a 2-year deadline. Regarding the second point on the agenda, Arias said that "it is one of Latin America's major problems," because the total debt of those countries exceeds $100 billion.

Presidents Raul Alfonsin (Argentina), Julio Maria Sanguinetti (Uruguay), Leon Febres Cordero (Ecuador), Belisario Betancur (Colombia), and Eric Arturo Delvalle (Panama) are attending the summit. From the Central America area Vinicio Cerezo (Guatemala), Jose Napoleon Duarte (El Salvador), Jose Azcona Hoyo (Honduras), and Oscar Arias (Costa Rica) are present. Alan Garcia is not participating in the meeting because he left for Peru this afternoon to look after pressing affairs, including the reception for Salvadoran President Jose Napoleon Duarte tomorrow, when he will begin a visit of several days in Peru.

Upon entering the National Theater, where the meeting is taking place, Colombian President Belisario Betancur discussed the document that the heads of state and mission chiefs of the countries that comprise the Contadora and Support Groups signed on the pacification of Central America. Betancur described as an important part of that declaration the fact that "it explicitly establishes 6 June as the deadline for the signing of the document for peace and cooperation in the region."

Duarte, meanwhile, said the meeting was a gesture of good will toward the Contadora peace process.

Guatemalan President Cerezo reacted favorably to the rumors that are circulating in connection with the possibility that Nicaragua will sign the document on the established date. In his view, "everything must be done and all the necessary concessions made" to strengthen democracy and peace," [quotation marks as received] while regretting the absence of Nicaragua from this meeting.

Presidents Issue Document

PA090233 Hamburg DPA in Spanish 0011 GMT 9 May 86

[Text] San Jose, 8 May (DPA) -- The Latin American presidents advocated "peace in Central America" as they met tonight in a private session at the National Theater to sign a document for peace in Central America. The document also refers to the need to "analyze the Latin American foreign debt and seeking solutions."

The document was signed by Raul Alfonsin (Argentina), Julio Maria Sanguinetti (Uruguay), Alan Garcia (Peru), Leon Febres Cordero (Ecuador), Belisario Betancur (Colombia), Vinicio Cerezo (Guatemala), Jose Napoleon Duarte (El Salvador), Jose Azcona Hoyo (Honduras), Eric Arturo Delvalle (Panama), and Oscar Arias (Costa Rica).

The document reads:

While gathered in San Jose, Costa Rica, on the occasion of the new Costa Rican president's inauguration, and given the critical situation which prevails in Central America, the undersigned proclaim that:

A. It is necessary to find formulas that guarantee peace in Central America.

B. It is imperative to accept the so-called "Document for peace and cooperation in Central America" which has been in preparation by the Contadora Group since October 1984.

C. It is necessary for all the foreign military forces to withdraw from the Central American region as soon as possible.

D. The Contadora Document must be implemented as soon as possible to prevent greater conflicts in the Central American region.

E. All the Central American governments are urged to sign the document for peace in Panama City next 6 June.

Given that the Latin American foreign debt affects the people's social, political, and economic stability, we state the following:

A. Latin America and the Caribbean need better conditions to renegotiate their foreign debt.

B. International organizations should make their collection procedures more flexible.

C. The Latin American and Caribbean people's development must not be affected by coercive measures.

Lastly, "we state our hopes for all the Latin American and Caribbean countries' democratization, as well as the welfare and progress of their people."

Likewise, "we hope that a consensus is achieved in the upcoming summit of Central American and Panamanian presidents in the city of Esquipulas concerning the most urgent probelms which affect the Central American region."

'Minisummit' Ends

PA090449 Paris AFP in Spanish 0436 GMT 9 May 86

[Text] San Jose, 8 May (AFP) -- The Central American and Contadora Group countries tonight failed in their efforts to define mechanisms concerning the regional peace document, which should be signed in less than 1 month at Panama City. New Costa Rican President Oscar Arias convoked a summit of eight Latin American leaders, but it was concluded 90 minutes after it had started, without attaining specific results. Several south American delegations, members of the Contadora and Support Groups, left the National Theater in San Jose, the site of the meeting, visibly upset about the meeting's failure.

The meeting included the participation, in addition to Arias, of Argentine President Raul Alfonsin, Ecuadoran President Leon Febres, Colombian President Belisario Betancur, Guatemalan President Vinicio Cerezo, Salvadoran President Napoleon Duarte, Honduran President Jose Azcona, and Panamanian President Eric Delvalle. Peruvian President Alan Garcia, who attended Airas' inauguration on Thursday, left Costa Rica hours before the summit started, foreseeing the problems that would later "abort" the summit.

The exclusion of Nicaraguan President Daniel Ortega, to whom Arias did not send a personal invitation, and the absence of Venezuelan President Jaime Lusinchi, who cancelled his attendance at the last minute, also created a "negative atmosphere" for the presidential meeting.

Unofficial sources reported that the delegates of the Contadora and Support Groups failed to reach agreement with their Central American colleagues on the future of the area peace efforts as a result of the serious differences that exist on the subject of Nicaragua. Hours before the presidents' meeting began, the Contadora and Support Group countries demanded "adequate guarantees to prevent the frustration of a conclusion and implementation" of the Central American peace document that should be signed in Panama on 6 June.

Tacitly, but inequivocally intended for the United States, Contadora's demand specfically asked for the end to the aid to "irregular forces" and "strict respect" for the principle of nonintervention. However, during the meeting the Central American countries rejected that demand, thus frustrating any other possibility for agreement.

Upon leaving the meeting, Colombian President Belisario Betancur refused to comment on the topics that were discussed, instead making an ironic remark to the effect that he was "very pleased with Costa Rica's climate." Argentine and Panamanian Foreign Ministers Dante Caputo and Jorge Abadia, respectively, also made no effort to conceal their disgust over the meager results of the summit. Abadia acknowledged that the Contadora process is difficult, because "we must move on a game that affects the interests of many sovereign states."

According to unofficial sources, Costa Rican President Oscar Arias sought to discuss his plan, which would allow a 2-year term to reach "a total democratization" in Nicaragua. However, Arias' plan was not even discussed by his Latin American counterparts, according to sources near the meeting.

Several of the members of the Contadora Group and the Support Group also refrained from participating in a work breakfast on Thursday morning with U.S. Vice President George Bush, during which the future of Central America would be discussed. Asked why his meeting with the other participants in Arias Sanchez' inauguration had failed, Bush said: "All they missed was a good breakfast."

Gesture by Bush 'Encouraging'

PY090300 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0013 GMT 9 May 86

[Text] San Jose, 8 May (NA) -- Argentine Foreign Minister Dante Caputo said here this afternoon that the gesture that U.S. Vice President George Bush made today is "an encouraging signal" that allows us to consider with some optimism the possibility that the positions in the Central American conflict might be made more flexible.

Caputo, who spoke after the joint statement by the Contadora Group and the Contadora Support Group was released, said that on the basis of the new factors, such as this gesture by Bush, "the eight nations believe they have resumed their task" of mediation.

Caputo, who looked tired after 18 hours of virtually uninterrupted work on the joint statement with his counterparts, said that "we found a path after being against a wall for some time."

Caputo pointed out that the joint statement "reflects what has happened here [word indistinct] the deadlines for signing the peace treaty and the confirmation of signals like the gesture by Bush, are encouraging signs that allow us to consider with some optimism the possibility that he positions in the Central American conflict might be made more flexible."

Caputo said that "the joint statement has another element which must be emphasized, namely, that the quest for peace will not end with the signing of the act. Only the political will of each nation will ensure that te letter of this document will serve to guarantee regional peace. We have appealed to that political will." He added that "the final part of the joint statement hints [word indistinct] to guarantee that this peace treaty will be complied with."

Caputo concluded by saying that "where there was a wall, there is now an opening" and that "now we are really satisfied to see an escalation of negotiations instead of an escalation of military actions."

PERU'S GARCIA: CONTADORA DOES NOT NEED U.S.

PA081510 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 8 May 86

[Interview with Peruvian President Alan Garcia by Danilo Antunez at the Soda Palace Cafe in San Jose; date not given -- recorded]

[Excerpt] [Garcia] Contadora does not need the backing of the United States. Contadora is a Latin American effort. We must understand that Latin Americans do not need the protection or the support of the United States. Contadora is a Latin American effort that [words indistinct]. It is the first Latin American effort to find a peaceful solution.

Regarding this, we have the (?support) of the Costa Rican people who want peace. This is a neutral country that has always wanted peace and Contadora is an effort to affirm the peace Costa Rica has always wanted.

[Antunez] Are any efforts being made to resort to other organizations such as the OAS, the Contadora effort [words indistinct].

[Garcia] Contadora is an effort that is bearing fruit. The escalation of violence has been avoided. It has pacified certain [words indistinct] attitudes, not only from imperialism which wants to intervene. I think that 1 month before the date established to sign the Contadora document, we must make the maximum effort so that there won't be intervention by the United States, as it barefacedly wants through its support for the contras, and so the Nicaraguan Government understand that it must do its share in order to show that Latin America is right in seeking the signing of the Contadora document. After that we will see what we can do., Signs of good will must become evident. This is what Latin Americans demand. We did not get involved in this Contadora process to become disappointed. We firmly believe that things can be done.

I stated at a news conference that just as Mr Reagan wants to give $100 million to the contras, well then, the Latin Americans must help not with weapons, tanks, and rifles but with instruments for development -- capital, manufactured products, and food. If they want to give [words indistinct] technology from their big power status and if they want to foment war from their almost supernatural strength, we must show the greatness of the Latin American spirit by helping development and economic growth.

I say that Peru is willing to help in the reconstruction of what was devastated by war with credits, for very long term and at very low interest, not like the international interest rates, as a way to show that Latin Americans are involved and want to help one another.

[Antunez] Do you have any recommendation for the Managua government?

[Garcia] I am a chief of state of a Latin American country, and I cannot make recommendations because that would involve a hegemonic stand or leadership which Latin America does not accept or want. But I could say that we hope that the Contadora document will be signed. So, let's put a stop to mistrust and let's make an effort of goodwill. Let's make an effort to give of ourselves and then we'll see. As we say in my homeland, things will even out in the end and we will fix them gradually.

[Antunez] Nicaragua has been a problem by not signing the Contadora Document. What is your opinion?

[Garcia] How can you say so hastily that Nicaragua has been the problem? Nicaragua cannot trust good intentions and goodwill when there is a public, international, and open request of the U.S. Adminstration to send $100 million in weapons to areas where the insurgents who oppose the Nicaraguan Government operate. Therefore, I wouldn't go around hastily saying that Nicaragua is to be blamed. I would say that perhaps Nicaragua can do a bit more for this process but I feel that the responsibility lies with that bipolar conflict of the world which hurts us so much and precisely, the Contadora Group wants to prevent from reaching our countries and our America -- because Central America is part of our America too -- become involved in the conflict of the big powers and make Central America become the scenario for this conflict.

[Antunez] Are you planning to go to Managua?

[Garcia] Yes, whenever possible.

[Antunez] But not during this trip to Central America?

[Garcia] No, because I came to attend this important event which confirms to us that Latin Americans can have peaceful democracies. Unfortunately, I have to leave tomorrow afternoon after attending the state ceremonies because I will be receiving the Salvadoran president who will go to Peru.

PARAGUAYAN GOVERNMENT 'DISAVOWS' ENVOY'S COMMENTS

PY090322 Buenos Aires TELAM in Spanish 0256 GMT 9 May 86

[Text] Buenos Aires, 8 May (TELAM) -- The Argentine Foreign Ministry this evening announced that the Paraguayan Foreign Ministry disavows the statements that its ambassador to Argentina made in Salta on 6 May. In the meantime, it has been learned that the Paraguayan ambassador will be relieved of his duties.

In this regard, the Argentine Foreign Ministry has issued the following communique: The Paraguayan Foreign Ministry has delivered a note to the Argentine Embassy in Asuncion explaining that the statements made by Ambassador Luis Gonzalez Arias reflect his own personal views, which he conveyed to the press, because the Paraguayan Foreign Minstry has given him no instructions to make such statements.

The communique adds that therefore the statements can in no way harm the cordial relations between the governments of the two nations, and thus the matter is considered closed.

SHIP'S ARMS CARGO INTENDED FOR L.A. INVASION

PY071821 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1214 GMT 7 May 86

[Text] Buenos Aires, 7 May (NA) -- According to a press report in Brazil, part of the war materiel transported by the vessel Nobistor, which departed Buenos Aires for Ghana, has been illegally unloaded in Brazil. The report added that the materiel was intended to arm 150 men presumably with the purpose of establishing a "beachhead" for invading a country, possible in Latin America.

The newspaper O GLOBO, which is published in the Brazilian city of Rio Grande, states that the arms shipment transported by the Nobistor, part of which was seized in Brazil, was loaded in Buenos Aires as "secret war materiel" and transported to the port of Burenos Aires on trucks of the Argentine Army.

One of the crew members of the Nobistor -- all of whom are being held in Brazil -- told the courts that he had been hired in the United States "to give military training in Latin America for 3 weeks," but he did not reveal the country or the region where he was to accomplish his mission.

The amount of materiel seized by the Brazilian police is less then was loaded in Buenos Aires and it was learned that machine guns, rifles, grenades, and ammunition of assorted calibers are missing.

According to statements by experts from the Brazilian Army, the arms transported by the Nobistor, which flies a Panamanian flag, were intended to arm 150 combatants. On the other hand, the discovery of grenades inside one of the boats aboard the ship led the investigators to believe that all was set for a surprise landing.

The ship, which departed the port of Buenos Aires, was intercepted on 14 March by the Brazilian police in Itaipu Bay, Niteroin near Rio de Janeiro. At that time, Nobistor Captain Oscar Gilardoni, an Argentine citizen, and a group of mercenaries, as the crewmen were called by the Brazilian press, were arrested.

The crew members are Robert Dee Early, Roberto Edward Foti, Steven Warren Hedrik, Frederick Tenni Verduin, Sheldon Ward Ainsworth, Julio Raul Rodriguez Laurazabal, Steven Vila Rosa, and Timothy Michael Carmony.

After the crew members were arrested and the cargo was seized, the Brazilian authorities asked the Argentine Government for information. The latter replied that the arms were loaded in accordance with the laws in effect on this matter and that they were bound for Ghana.

According to the report published by O GLOBO, the arms seized had their serial numbers virtually filed off, which indicated the unlawfulness of the operation. In addition, it was stated that the Nobistor captain lied when he told the Brazilian courts that he only learned that he was transporting arms when he was already on the high seas. It could be determined that the cargo arrived in the port of Buenos Aires on Argentine Army trucks, escorted by a military guard. The documents seized by the Brazilian police do not provide an itemized account of the arms shipment but they do confirm that it is "secret war materiel," as the Argentine Government has alleged.

The interventions also refuted the excuse raised by the Nobistor captain that they had docked in Itaipu Bay because of a breakdown. Robert Dee Early, commander of the group of "mercenaries," has admitted before the courts that the breakdown was a sham. It is thought that the mercenaries removed the seals from the containers and tested the weapons at sea. Later, some of the war materiel was found by the police inside the cabins occupied by the ship's crew members. All the mercenaries are said to be Vietnam war veterans and they claim that they were recruited in the United States to guard the cargo and give training on how to use the weapons. Timothy Michael Carmony, one of the detainees, a Vietnam war veteran, stated that he was hired "to give military training in Latin America for 3 weeks" but he did not reveal the country or the region.

The material transported by he Nobistor also included equipment for landing troops, even inflatable boats with outboard motors and medical gear.

Brazilian Attorney General Juarez Tavares and the Brazilian police agree that the materiel was intended for establishing a "beachhead" in a country which the group apparently wanted to invade. When the police unexpectedly boarded the ship, an inflatable boat with several boxes of grenades was found, along with two containers of weapons.

It was proven that before the police action all the crew members went ashore during the 3 days the ship was docked. All the crew members, however, claimed that they went ashore just to go to entertainment places.

PRESIDENTIAL SPOKESMAN ON RUMORED RESIGNATIONS

PY070300 Buenos Aires BUENOS AIRES HERALD in English 6 May 86 p 11

[Excerpt] (NA-DYN) -- Presidential spokesman Jose Ignacio Lopez yesterday denied that any more judges would be resigning to protest government instructions to speed up human rights trials against servicemen or that President Raul Alfonsin had cancelled the inauguration of a Latin American energy congress to consider the matter with his ministers.

Meanwhile, Lower House Speaker Juan Carlos Pugliese told an impromptu press conference that 10 or 15 military officers would still have to be tried for human rights abuses, saying their positions made it possible for them to be ignorant of the illegality of their orders and the atrocities that were going on.

Lopez explained that Alfonsin had skipped the congress in order to analyze the socio-economic conference in telephone conversations with his ministers. The spokesman denied that Alfonsin met Interior Minister Antonio Troccoli and Defence Minister German Lopez together with their respective secretaries Facundo Suarez Lastra and Horacio Jaunarena, Justice Secretary Ideler Tonelli, and Council for the Consolidation of Democracy head Carlos Nino. He also denied the government would issue a decree explaining the instructions, a denial echoed by Vice President Victor Martinez.

JUSTICIALIST PARTY HEAD'S OFFICE BOMBED 5 MAY

PY051950 Buenos Aires DYN in Spanish 1900 GMT 5 May 86

[Text] Buenos Aires, 5 May (DYN) -- Persons close to Vicente Saadi, first vice president of the Justicialist Party, have reported that an explosive device went off at 1855 GMT today at Saadi's private office. The office is located at 1307 Paraguay Street in Buenos Aires and the initial report did not mention any victims. The bomb was not very powerful.

New 'Movement' Claims Attack

PY061546 Buenos Aires NOTICAS ARGENTINAS in Spanish 0051 GMT 6 May 86

[Text] Buenos Aires, 5 May (NA) -- The self-styled "New Argentina Movement" this evening claimed responsibility for the attack perpetrated against the office of Peronist Senator Vicente Saadi, through an anonymous phone call to this press agency. A man with a deep voice claimed to have perpetrated the attack, and said that on 9 May members of the group will issue a document listing charges against Saadi. However, he did not give any details of the document. The anonymous caller said that former nationalist leader Patricio Kelly "is aware of the contents but does not want to say anything." When he was asked for more details, the man said that "the information we have was obtained from abroad."

Kelly Discusses New Group

PY061606 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0210 GMT 6 May 86

[Text] Buenos Aires, 5 May (NA) -- Guillermo Patricio Kelly [former nationalist leader] tonight said that he was not aware of the existence of the self-styled "New Argentina Movement" that tonight claimed responsibility for bomb attack against Senator Vicente Saadi's office. He also denied knowing anything about a document that the movement says compromises the Catamarca Province legislator. Kelly estimated that it could be a violent response to the "solidarity" that Saadi had voiced for Mu'ammar al-Qadhdhafi's Libyan Government after the U.S. bombing of Tripoli. However, he noted that this was mere speculation because he did not know the real reasons for the attack.

Moreover, he warned that should the alleged charges that the terrorist group are making affect him, he will take "them to court." Kelly then said that "the anonymous calls are not valid" and that those who claimed to be responsible for the attack must "show their faces" because he repudiates attacks such as the "bombs against Channel 13 and the shooting against the CRONICA newspaper."

ARMY COMMANDER SANCTIONS RETIRED GENERAL

PY072156 Buenos Aires TELAM in Spanish 1804 GMT 7 may 86

[Text] Buenos Aires, 7 May (TELAM) -- Army Commander General Hector Rios Erenu has sanctioned Cemida [Military Center for Argentine Democracy] president, General Ernesto Lopez Meyer, retired, for 30 days. The sentence is to be served at a military unit.

According to a reliable source, Gen Lopez Meyer was punished for having publicly criticized Gen Rios Erenu's statement on the supposed infiltration of subversives in political organizations. The Army commander had said that the ideological infiltration can be seen in the criticism of actions taken by the executive branch, the church, and the Armed Forces.

Gen Lopez Meyer contended that military authority has been seriously jeopardized by the Army commander's denunciation, which was made in general and vague terms without giving the names of people, organizations, or political parties or any other organization that infiltrates or is infiltrated.

In the wake of that criticism, Gen Rios Erenu summoned the retired officer to inform him that administrative inquest had been held, his statement analyzed, and that he was to serve 30 days in a military unit. The military unit where the retired officer will serve his time is not yet known.

FAVA DEMANDS GOVERNMENT CANCEL JUDICIAL DIRECTIVES

PY071504 Buenos Aires DYN in Spanish 2154 GMT 7 May 86

[Text] Buenos Aires, 6 May (DYN) -- Communist Party Secretary General Athos Fava today demanded that "the directives imparted to the Armed Forces prosecutor by the Defense Ministry be canceled." He added that recent remarks by President Raul Alfonsin "have no legal effect." The Communist leader stated that the directives imparted by the Executive Branch "represented an attempt to end the trial against oppressors under the pretext of accelerating it." He added that the directives "seek to leave unpunished most of the repressors, who are accused of abhorrent crimes."

In a press item, Fava called all members of the Communist Party and the Communist youth to "participate actively in the mobilizations of human rights organizations to neutralize the efforts aimed at stopping the trials, which was the true but hidden aim of the measure."

BRIEFS

LABOR UNDER SECRETARY INSTALLED -- Buenos Aires, 28 Apr (NA) -- Labor Minister Hugo Barrinonuevo today installed Armando Caro Figueroa as the new labor under secretary. [Excerpt] [Buenos Aires NOTICIAS ARGENTINAS in Spanish 0122 GMT 29 Apr 86 PY]

BOMB THREAT ON VARIG PLANE BOUND FOR ASUNCION

PY081819 Sao Paulo Radio Bandeirantes in Portuguese 1600 GMT 8 May 86

[Relay from Amorim Filho]

[Text] An anonymous phone call has been received warning of the presence of a bomb aboard a plane that is now being held at Cumbica airport. As a result of this call, Infraero [Brazilian Airport Support Enterprise] has taken charge of the situation.

The caller, who has not been identified, informed Infraero that a bomb had been placed among the baggage of Varig Flight No 902, from Rio de Janeiro to Asuncion, Paraguay, which has scheduled stopovers in Sao Paulo and Foz do Iguazu. The DC-10 landed at Cumbica airport at 1020. The pilot, Commander Carvalheira, who had been warned about the bomb threat, parked the plane at the end of runway No 9, where support equipment, emnergency ladders, and four buses were waiting.

After 20 minutes, the 148 passengers and 16 crew members were taken to the airport's restaurant. The plan was recalled to Cumbica airport where explosive experts are checking the entire baggage area. Commander Carvalheira is the pilot of the DC-10 and his co-pilot is Officer Carlos Americo. The plane's identification number is PPBNW. [Words indistinct] different bomb threats received over the last 2 days at Cumbica airport.

RULING PARTY REJECTS U.S. ENVOY WALTERS' VISIT

PY090224 Madrid EFE in Spanish 0053 GMT 9 May 86

[Text] Brasilia, 8 May (EFE) -- The ruling Brazilian Democratic Mobilization Party [PMDB] today rejected the visit to Brasilia of U.S. Ambassador to the United Nations General Vernon Walters.

Walters will arrive here tomorrow, 9 May, amid tight security measues and an atmosphere of concern stemming from the open U.S. commercial threat regarding a Brazilian law on informatics that reserves the Brazilian computer market for the local industry.

Walters will be received tomorrow by Acting President Ulysses Guimarnes, who is also president of the Chamber of Deputies and leader of the PMDB; and by Acting Foreign Minister Paulo Tarso Flecha de Lima.

The PMDB has rejected Walters' visit, saying that he has attempted to meddle in Brazilian domestic affairs such as the informatics law approved by the national Congress, the proposal to resume relations with Cuba, and Brazilian relations with the Arab world.

Walters served as military attache in Brazil several times, especially during and after the 1964 coup. He has longtime, important friends among senior military officers.

The PMDB has charged Walters with being "one of the main orchestrators of the 1964 coup," which ended democracy and instituted a military authoritarian regime.

The Central American situation, especially that of Nicaragua, the possible resumption of relations with Cuba, and the informatics law are among the main subjects Walters will discuss with Brazilian officials.

CHILE WANTS $1 BILLION WORTH OF WAR MATERIEL

PY051909 Sao Paulo FOLHA DE SAO PAULO in Portuguese 2 May 86 p 4

[From Vale do Paraiba]

[Text] By the end of this year, Brazil will sign a $1 billion contract with Chile for the sale of military equipment manufactured by Brazilian enterprises. The Chileans want to purchase some units of the heavy EET-1 tank (manufactured by Engesa -- Specialized Engineers, Inc.), the multiple rocket-launcher Astros-2 (manufactured by Avibras -- Brazilian Airspace Enterprise), and the military training airplane T-27, the Tucano, manufactured by Embraer [Brazilian Aeronautics Company]. The three industries are located in Sao Jose dos Campos, (97 km northwest of Sao Paulo). This contract has not been signed yet due to a sanction approved by the 42d session of the UN Human Rights Commission 2 months ago, which condemned the government of General Augusto Pinochet.

The negotiations for the sale of weapons began in March, during the fourth National Defense and Air-Space Fair [FIDA], in Santiago de Chile where the Brazilian industries displayed their products with other international enterprises of this sector. On that occasion, Pinochet expressed great interest in the Brazilian weapons. Later, he contacted Engesa President Jose Luis Whitaker Ribeiro, about acquiring some units of the Osorio, the Astros-2, and the Tucano for the Chilean Army.

In June some units of the Osorio tank will be submitted to technical tests by Chilean military officers with the objective of assessing their effectiveness in combat. These tests are considered routine because all purchasing countries test the product in their territory. Avibras and Embraer will also conduct some demonstrations. In the past, Embraer was just about to finalize a contract for the sale of airplanes to the Chilean Government, both in the civilian and military markets. For economic reasons, however, the contract was canceled. During the fair, Chilean Air Force Commander General Fernando Matthei sought leaders of the Brazilian industry to resume negotiations for the purchase of the Tucano planes. Brazil has always maintained commercial ties with Chile in the military sector, and a few years ago, it supplied spare parts for Chilean military planes.

The EET-1 Osorio is the newest tank manufactured by Engesa. It is 100-percent national technology and weighs 35 tons. It has the lowest tank profile in the West: 2.34 meters. Its silhouette can be compared to that of Soviet tanks T-72 and T-80. Its main attack weapon is a 105-mm cannon, but a 120 mm cannon can also be installed on its turret. It uses supersonic "arrow" ammunition. The tank also has a 7.62-mm coaxial machine gun and a .30-caliber NATO-type antiaircraft machine gun mounted on its turret. Its price on the market is estimated at $4 million. Engesa has invested approximately $50 million on the project. The German Leopard tank is similar in design.

The multiple rocket and launching vehicle, a sophisticated target control system, and a support vehicle, all of them capable of moving through any type of terrain. launch missiles at distant targets and withdraw before the enemy can retaliate. Each battery is made up of between four to six launching vehicles that carry the rockets, in addition to other equipment.

Its greatest quality is its operational flexibility. A launching unit can carry 32 tubes for the SS-15 rockets (127 mm), or 32 tubes for the SS-30 (the same caliber, but with longer range), 16 tubes for the SS-40 (180 mm), or finally, a single tube for the powerful SS-60 rocket which has a diameter of 300 mm. The truck carries two launchers, fitted on the two sides of the axis. All these rockets use solid propellant motors and are also manufactured by Avibras. Their price on the market is $10 million. The Tucano is an agile and effective turboprop plane. It has a flight range of 2,000 km at a maximum and effective turboprop plane. It has a flight range of 2,000 km at a maximum speed of 700 km per hour. It can carry load of up to 1 ton of bombs, missiles, and rockets under its wings. It gained prestige on the international market after the purchase of 135 units by the British Royal Air Force. The Brazilian Air Force has 100 units, Honduras has 8, Venezuela 44, Argentina 44, and Egypt 132. It is the Embraer's leading plane. Its price on the market is $1.2 million.

SARNEY PLEDGES TO IMPLEMENT LAND REFORM

PY052215 Rio de Janeiro O GLOBO in Portuguese 3 May 86 p 5

[Text] Brasila -- President Jose Sarney yesterday signed the first 26 regional projects for land reform -- for Maranhao, Ceara, Para, Mato Grosso, Mato Grosso do Sul, Parana, and Espirito Santo States, where 45,300 families will be settled in 1986 on 1.7 million hectares of expropriated land. During the "Talking by the Radio" program, Sarney stated that land reform will be implemented without conflict and without detriment to those who work on their own land. The total cost of the initial project through late 1986 is estimated at 3351 trillion cruzados. Public debt certificates, which will be used to pay for the expropriated land, are not included in these cost calculations. President Sarney has decreed that all rural areas in the above-mentioned states will be priority zones for the implementation of land reform over the next 5 years. The expropriation will only apply to large land estates or rural real estates whose method of expliotation are contrary to social interests. Expropriation will not go beyond the targets set in the National Agrarian Reform Program (PMRA).

The decreee also provides for the creation of land committees in each state. These committees will be charged with selecting the land to be expropriated. The committees will include an INCRA [National Institute of Land Reform and Settlement] representative, a representative of the state agricultural agency, a representative of an agricultural school, three rural workers, and three rural landowners. The first three representatives will be designated by the INCRA president. In principle, this would guarantee a majority for the workers. However, this will depend on who is appointed as the committee's president. The projects will become effective with expropriations and the initial settling of the workers, followed by technical assistance and social organization for the families. The settlements must be made up of family units, associations, or mixed communities. The government will use INCRA to allocate land to the beneficiaries, before granting final deeds, to prevent speculative sales. Out of the seven states, Maranhao, President Sarney's homeland, is the one that will accomodate the largest number of families to be settled and the largest hectarage of land to be expropriated. In 1986, 12,700 Maranhao farming families will benefit from the program and 421,821 hectares of land will be expropriated. The smallest state is Espirito Santo where 2,000 families will be settled and 30,000 hectares are to be expropriated. In Para, the target is 16,500 families on 378,192 hectares. In Mato Grosso, the target is 4,500 families on 375,000 hectares. In Mato Grosso do Sul, the target is 4,400 families on 160,000 hectares, and in Parana State the target is 8,300 families on 184,200 hectares. Ceara was chosen on 28 April following a suggestion made by Minister Nelson Riveiro, who argued that a "truly northeastern" state should benefit because Maranhao state lies on the border of the northern region.

MINISTER CUADRA DISCUSSES TERRORISM, DIALOGUE

PY061337 Santiago Radio Chilena in Spanish 2300 GMT 5 May 86

[Text] Minister Secretary General of Government Francisco Cuadra today once again called upon the people and especially those sectors with influence on the public to reject terrorism with their words and attitudes. Cuadra also confirmed that Interior Minister Ricardo Garcia will meet National Union leaders on 6 May and that Garcia has met with other political groups in the recent weeks.

During a conversation with reporters, Cuadra referred to an attack on a bus in Valparaiso, in which six people were injured, including two minors. Cuadra said that this action shows that violence is absolutely unreasonable. He stressed that the perpetrators of such actions harm many Chileans who are living normal lives. Cuadra added that, in view of this the authorities had to adopt several measures to preserve order and security, and that they will continue to do so as strongly as necessary.

[Begin recording] The government is not seeking to adopt spectacular measures that may suggest that the situation is out of control. The government wants to use all available legal tools to control those groups that use violence and terrorism for political action. That is why the government once again calls upon the people, especially those sectors that influence the public, to reject violence and terrorism with their words and attitudes. [end recording]

Cuadra also confirmed that the meeting between the interior minister and a group of National Union leaders headed by Andres Alamand is in line with what the government said on 11 March, on the fifth anniversary of the approval of the Constitution. Minister Cuadra recalled that on that date the government expressed its willingness to welcome contributions from all citizens to express their opinion on how to improve the Chilean institutional system politically and in other ways. Cuadra added that all sectors that respect the current order have adopted a clear stance toward Marxism and that their attitudes have shown that they categorically reject terrorism. They have made it possible for the government to engage in dialogue because they have met the essential conditions, he stressed.

In conclusion, Cuadra reported that the interior minister has contacted several political groups in the past few weeks, and that the public will be informed on these contacts in the near future. As for the more than 600 people arrested during the street riots in Santiago on 1 May, it was reported today that 28 remain under arrest. A reliable Interior Ministry source has said that the ministry would decide by tomorrow whether it will release the detainees or file lawsuits against them. The source added, however that the government is also empowered to extend the arrest of those 28 people for 15 days.

VALDES DISCUSSES FOREIGN POLICY, RELATIONS

PY082017 Santiago EL MERCURIO in Spanish 4 May 86 p C2

[Text] Chilean Foreign Ministry spokesman Pablo Valdes spoke to union leaders at a meeting held in Punta de Tralca on the objectives of Chilean foreign policy.

"The Soviet Union has failed in its attempt to destabilize the Chilean Government," Valdes told union leaders in Punta de Tralca during the 10th labor seminar entitled "National Objectives."

Valdes stated that "Chile is a nation of peace." He began his lecture by reading the document "The Chilean National Objective," implemented by the president of the Republic on 23 December 1975. He then explained the relationship between national interest and foreign policy, arguing that "international relations are generated when the foreign policy of a country goes into action and encounters the foreign policy of another country, each having as its objective the individual national interest, trying to reconcile these interests through peaceful dialogue and negotiation for mutual benefit."

He also explained the role of the Foreign Ministry which has the responsibility of outlining and implementing Chile's foreign policy in accordance with the inspiration and instruction of the chief of state. He also explained the task of a diplomat, stressing the danger he encounters today after losing the immunity he enjoyed in the past.

The main point of his lecture was the assessment of the international relations with Chile's neighbors, Europe, the Middle East, Africa, Asia, and Oceania. Within the bilateral framework, he stressed the signing of the Peace and Friendship Treaty With Argentina, "giving an example of goodwill and mutual understanding in a world plagued with fear and distrust, and in which there are still rulers who have more confidence in force than in peaceful understanding."

Regarding relations with Peru, Valdes said that they have reached a high level of understanding. He said: "During the next few days the Peruvian foreign minister will visit Santiago. This visit will intensify our bilateral relations in the economic, political, and cultural sectors." "Chile has no pending territorial problems with Bolivia, because the 1904 treaty has definitely delimited the border between the two countries," Valdes stated. He added that Chile has greatly increased its diplomatic relations with countries overseas, intensely promoting rapprochement with Japan, South Korea, the PRC, Australia, New Zealand, and others. He said that our country organizes and participates in seminars to study the Pacific Ocean and its future.

"With the United States we have a normal relationship, in spite of the repeated remarks made by U.S. officials that represent an obvious interference in our domestic affairs. This position concluded with the U.S. vote at the UN Human Rights Commission in favor of a draft resolution criticizing several aspects of the Chilean situation, relating to human rights," Valdes said.

VENEZUELAN SOLDIERS ARRESTED IN 'BORDER INCIDENT'

PA091345 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 9 May 86

[Text] Barranquilla -- In a new border incident, a Venezuelan military patrol has violated the national territory. All members of the patrol were arrested by the authorities. Nine Venezuelan military men, among them a lieutenant, were arrested in Carraipia Corregimiento, Maicao Jurisdiction, La Guajira, and are in the custody of the 2d Infantry Battalion at the Rondon mechanized group's Santander base. The Venezuelan patrol, led by Lieutenant Jose Hernandez, claimed that it was carrying out an anti-drug trafficking operation in the border area. The arrests took place at the El Ranchito farm, Majayura Corregimiento [name as heard] near Maicao. Those arrested with the lieutenant are 2d Corporal Jesus Coromoto and soldiers Jose Ramon Martinez, Jaime Diaz, Victor Marin, Jose Ramon Torres, Victor Julio Infante, and Alex Velazquez [eight names in total as heard].

Colombian authorities are investigating the case. They have confiscated only an FAL rifle, ammunition, and a communications radio, which does not lead to the assumption that a special operation was underway.

OFFICIALS DISAGREE ON EXTRADITION POLICY

PA082230 Bogota Television Service in Spanish 0000 GMT 8 May 86

[Text] Discrepancies between the attorney general and the justice minister are growing. The former, Carlos Jimenez, insisted today that President Belisario Betancur publicly state what he thinks about this matter and, specifically, approve or reject their attitudes regarding drug traffickers. The story began when the attorney general met with Colombian mafia leaders in Panama.

Coincidentally, last night, an individual went to the "TV Today" program and asked, on behalf of 68 men who may be extradicted, for an amnesty for them and their principals. Without thinking twice about it, Justice Minister Enrique Parejo Gonzalez responded:

[Begin recording] I must categorically state that the government cannot accept that type of proposal because it is illegal. The government cannot negotiate whether or not to apply the extradition treaty, which was ratified by a law of the Republic which binds all Colombians. Therefore, when conditions are present for the government to grant extradition the government cannot do other than grant it, and regarding this, it cannot enter into negotiations, dialogue, or talks of any kind with the drug traffickers. I think that their obligation, if they want to be tried in Colombia and if the Colombian judges have proceedings against them, is that they must go to the judges involved in the investigations. They must talk with the judges, within a penal process and under the formalities established by the law, but the government cannot hold talks with them. [end recording]

ARMY CONFIRMS DEATH OF M-19'S SANTAMARIA

PA082151 Bogota Television Service in Spanish 1730 GMT 7 May 86

[Text] The 4th Infantry Brigade has confirmed the death of Israel Santamaria, leader and founder of the M-19. According to Commander General Rafael Padilla, two members of that guerrilla group were captured and they revealed that Santamaria died after he was critically wounded in a clash with the Army.

Israel Santamaria is the eighth leader of that organization to die. He was 47 years old and a lawyer. He was released following what was called the trial of the century, in which he was charged with stealing weapons from the north precinct.

The death of Jaime Bateman Cayon in an airplane accident on April 1983 marked the M-19's destiny forever. One year after Bateman died, Carlos Toledo was shot dead on August 1984, when he was leaving his house in Bucaramanga. Barely 15 months later, in may 1985. Antonio Navarro Wolff -- a visible leader of the movement -- was attacked and lost his right leg. Ivan Marino Ospina was shot to death 120 days later in Cali, during the operation "Hey, Caleno, Look." Barely 60 days had elapsed when, during the fatal 6 November takeover of the Justice Palace, Andres Almarales, Luis Sotero, and Alfonso Jaquin were killd.

We have now learned about the death of Israel Santamaria, who died in March during a clash in Abriaqui, Antioquia. The only M-19 commanders who are still alive are Carlos Pizarro; Gustavo Arias Londono, alias Boris; Marcos Chalita; and Rosemberg Pavon.

EPL: MURDERED POLICE PART OF ELECTION SABOTAGE

PA081718 Paris AFP in Spanish 1616 GMT 8 May 86

[Excerpts] Bogota, 8 May (AFP) -- The Maoist guerrillas of the Popular Liberation Army (EPL) announced today that they have implemented a plan to sabotage the presidential elections on 25 May. A man who phoned several radio stations in the capital city to claim this morning's murder of a policeman in northwest Bogota, said that the attack is part of the election sabotage.

The EPL, in a sudden action in which five men and one woman -- all of them very young -- participated, riddled Policeman Domingo Santamaria with bullets and seriously wounded two other policeman at 1135 GMT today.

The attack took place when the three policemen were beginning their patrol of a route usually used by the drivers of several Police and Army generals to reach the Defense Ministry.

The guerrillas took advantage of the fact that a "mota" (traffic policemen) had stopped the flow of traffic on an important avenue to open fire on three policemen, killing one of them on the spot.

The six murderers fled in three waiting vehicles, and they claimed the murder for the EPL through anonymous phone calls. The EPL is a Maoist group that unilaterally broke the truce signed in 1984.

According to information provided by radio network RCN in Bogota, the alleged spokesman for the EPL said that the action had been carried out by the "Luis Fernando Lalinde" group, named after a guerrilla killed almost 1 year ago.

The announcer said that the EPL also reported that "the action is part of a plan to sabotage the 25 May elections."

Meanwhile, the murder of the policemen in Bogota today coincides with the start of a special program initiated by authorities in the capital to reestablish the city's security, which has deteriorated lately. The Police and Army have implemented a large-scale operation in the city in search of the six criminals, but results have been negative.

GROUP AFFIRMS COMMENTS BY ENVOY TO ARGENTINA

PY081744 Asuncion EL DIARIO in Spanish 8 May 86 p 6

[Text] The Argentine-Paraguayan Cultural Association (ACAP) yesterday issued a communique in which it states that "the tenor of the statement by Paraguayan Ambassador to Argentina Luis Gonzalez Arias is strictly in keeping with the truth." The ACAP also urged the Argentine Government "to reject any sort of interference in Paraguayan political affairs."

The communique adds: "In view of the disagreement involving the Argentine and Paraguayan Foreign Ministries as a result of a statement made in Salta, Argentina, by Gonzalez Arias, the CAPA expresses "that the tenor of the statement by Ambassador Gonzalez Arias is strictly in keeping with the truth, because it is abvious that the present Argentine authorities are acting in favor of a minority sector that is seeking the protection of a foreign government to attack legally elected Paraguayan authorities.

"The ACAP regrets that the fraternal relations between the two nations are being tarnished by the actions of a leftist clique that is controlling the Argentine Foreign Ministry.

"The ACAP is surprised by the arrogant attitude adopted by the Argentine Foreign Ministry in granting the Paraguayan Government only 24 hours to retract Ambassador Gonzalez Arias' statement. This attitude is not in keeping with the principle of nonintervention, which was upheld during World War I by the famous UCR [Radical Civic Union] leader Hopolito Yrigoyen."

The communique notes: "The ACAP urges the Argentine Government to reject any sort of interference in Paraguayan political affairs and to strengthen the strong ties that unite the two countries."

This communique is signed by Jorge E. Flores Allende, president; Gustavo Alberto Guasti, vice president; and Silvio A. Doldan Paradi, secretary general.

ENVOY TO FRG VOICES REGRETS FOR ASUNCION ATTACK

PY081637 Asuncion EL DIARIO in Spanish 8 May 86 p 7

[Text] Bonn, 7 May (DPA) -- It was learned in Bonn today that the Paraguayan Government has voiced its regret to the FRG Government over the recent attack in Asuncion against an FRG diplomat and two journalists of the main German television network. Victor Manuel Godoy, Paraguayan ambassador to the FRG, has told DPA that on 5 May he visited the FRG Foreign Ministry to explain what had happened.

The ministry, however, has not yet issued a declaration on the subject. In answering DPA, a ministry official stated that the ministry might state its position on 9 May, tomorrow being a holiday in Bonn.

Godoy said he had met with FRG Foreign Ministry (administrative) Under Secretary Andreas Meyer-Landrut, to whom he voiced his "government's regret over what happened in Asuncion to FRG Embassy Press Attache Armin Steuer and to the journalists of the FRG Television network (ARD)."

He also noted that the Paraguayan Government had ordered a "thorough investigation of the incidents with the purpose of punishing those responsible once they had been identified." Godoy said he had also expressed the government's displeasure that Steuer had been seen on three different occasions in 1 week at unauthorized Paraguayan political meetings. The ambassador added: "I do not think that the excuse of having diplomatic rights can be used when a foreign official attends a meeting that has been prohibited by the established authorities of another country."

"Moreover," he stated, "one must look at it from the practical point of view because no one's safety can be guaranteed in acts where it is feared that there will be violence." The ambassador did not lend much importance to the episode, stating that "it does not represent an obstacle to the traditionally cordial relations of cooperation between the Paraguayan and FRG Governments."

ORTIZ SAID TO THREATEN RADIO CHARITAS DIRECTOR

PY082356 Paris AFP in Spanish 1956 GMT 8 May 86

[Text] Asuncion, 8 May (AFP) -- Education and Worship Minister Carlos Ortiz has threatened to expel Father Javier Arancon, a Spanish Franciscan priest who is director of the Catholic Radio Charitas, if he continues to maintain the radio station's opposition to the government, ecclesiastical sources told AFP today.

Paraguayan authorities have also asked Father Arancon to fire the radio's chief announcer, Guillermo Yaluk. Both the priest and the announcer received death threats in phone calls to the radio station last weekend, following the violent incidents between the police and workers on May Day.

Furthermore, the phones of Radio Charitas, which is owned by the Franciscan order, have been cut and, according to executives of the radio station, its transmissions have been subject to jamming since last Monday. Like the outspoken Radio Nanduti, Radio Charitas is considered an opposition radio by the government.

Priest Denies Report

PY090213 Asuncion Radio Nanduti in Spanish 0158 GMT 9 May 86

[Text] Our Press Department, through Maria Luisa Vera, has just contacted Father Javier Arancon, Radio Charitas director, who told Radio Nanduti that during his talk with Education and Worship Minister Carlos Ortiz Ramirez the minister expressed the government's concern about the radio program he directs and pleaded with him to change it. As for an AFP dispatch, Father Arancon categorically denied that Minister Ortiz Ramirez had threatened him in any way whatsoever.

POLICE BREAK UP DEMONSTRATION AFTER MASS

PY081545 Asuncion HOY in Spanish 8 May 86 p 12

[Excerpts] A gathering of laymen took place last night at the Metropolitan Cathedral under the slogan: "Against violence, for justice and brotherhood." Some 2,000 people gathered to participate in a peaceful mass, which ended in brutality with the police attacking students, old people, and lay leaders as they were leaving for their homes. This happened on Independencia Nacional and 25 de Mayo Streets. The incidient left several people injured.

A community mass was said last night at the Metropolitan Cathedral, called by the Archidiocesan board of laymen and the National Laity council. Some 2,000 persons participated in the mass given by Asuncion Archbishop Msgr Ismael Rolon, who at the beginning of the mass stated: "This is not a political meeting, it is not a meeting to subvert. It is a meeting of the church with all the rights to which such a meeting is entitled. The church is not a wagon hitched to any political party. We have been called to think and act in response to recent events, which represent an attack on the fundamental rights of human dignity. We do not believe that to worry about human rights makes us communist. To attribute all these demands to communism is to honor it. We only need to be Christians to defend justice".

The bishop's statement was acclaimed with vigorous applause by the people.

Police brutality was once again seen at the end of the mass, as a group of students, politicans, and leaders of religious movements were walking along Independencia Nacional Street. On reaching 25 de Mayo Street, uniformed police troops pounced violently, treacherously, and brutally upon the people who chanted slogans and sang songs. Old women and young women students were the victims of the grotesque police action, which was led by Police Commissioner Schreiber. One of the victims is Maria Rosa Rios, a student of the Engineering School. It all began when an automobile driver was detained and the mob wanted to defend him from the police. It was then that the police violently attacked the peaceful demonstrators.

BRIEFS

NEW BRITISH AMBASSADOR -- John Grant Mac Donald, the new British Ambassador to Paraguay, on 7 May presented his credentials to President General Alfredo Stroessner. Mac Donald replaces Bernard Coleman. [Summary] [Asuncion ULTIMA HORA in Spanish 7 May 86 p 13 PY]

DEPUTIES CONCERNED OVER PARAGUAYAN SITUATION

PY071239 Madrid EFE in Spanish 2347 GMT 6 May 86

[Text] Montevideo, 6 May (EFE) -- Deputy Juan Justo Amaro of the ruling Colorado Party told EFE today that Uruguayan politicians are committed to promoting democratization in Paraguay. Amaro also commented on his trip to Asuncion next week to represent his party at an opposition rally slated for 14 May.

The Chamber of Deputies, of which Juan Justo Amaro is a member, has also approved a draft resolution proposed by the Foreign Affairs Committee and supported by the four political parties in Congress. The resolution notes "the worsening of the Paraguayan situation" and rejects "the repression of peaceful popular demonstrations."

The Uruguayan Chamber of Deputies voiced "its concern over this new violation of human rights in the brother Republic of Paraguay." It also expressed its "brotherly solidarity with the Paraguayan people in their struggle to regain public and individual freedoms, which are indispensable for the establishment of a democratic and pluralist state of law."

DEPUTY TO ATTEND ASUNCION OPPOSITION MEETING

PY051530 Madrid EFE in Spanish 1437 GMT 4 May 86

[Text] Montevideo, 4 May (EFE) -- Deputy Juan Justo Amado has been appointed representative of the Colorado Party, the ruling party in Uruguay, to attend the meeting which will seek the restoration of democracy in Paraguay.

The meeting will take place on 14 May in Asuncion and has been called by Paraguayan parties that oppose the regime of Alfredo Stroessner.

According to Uruguay's Colorado Party spokesmen, "political parties from all Latin American countries will send representatives to this meeting."

The meeting "to claim the enforcement of a political opening in Paraguay" coincides with the 32d anniversary of Alfredo Stroessner's government.

BRIEFS

SENATE VICE PRESIDENTS DESIGNATED -- Senators Eduardo Paz Aguirre, of the ruling Colorado Party, and Luis Alberto Lacalle, of the Blanco Party, have been designated Senate first and second vice presidents, respectively. [Summary] [Montevideo Radio Carve in Spanish 0000 GMT 7 May 86 PY]

URUGUAY'S SANGUINETTI CONTINUES OFFICIAL VISIT

PA081647 Mexico City XHDF Television Network in Spanish 1955 GMT 7 May 86

[Text] Uruguayan President Julio Maria Sanguinetti said a few minutes ago that Mexico and Uruguay have signed complementary economic agreements within the framework of ALADI. The Uruguayan president also pointed out that during the talks with Mexican President Miguel de la Madrid it was evident that the two countries share common views with respect to the international situation.

At a press conference President Sanguinetti said that in its handling of the foreign debt, Uruguay will continue to participate in the Cartagena Consensus and that the specific treatment used for each country's debt should be different.

Regarding the Central American conflict, Sanguinetti expressed confidence that the Contadora Document will be signed because he said that politics cannot be carried out without faith. He pointed out that the current attitude is to maintain hope and dynamism in the search for solutions. He said that Mexico represents the vanguard of all the countries seeking peace; that is why he was interested in making this official trip.

Reciprocal Trade Agreement Signed

PA081918 Mexico City XHDF Television Network in Spanish 0300 GMT 8 May 86

[Text] Mexico and Uruguay today signed the first reciprocal economic agreement within the Montevideo Treaty of 1980. The document was signed by Commerce Secretary Hector Hernandez Cervantes and Uruguayan Foreign Minister Enrique Iglesias. By this agreement, Uruguay will lift tariffs on purchases made by Mexico of 1,800 products. In addition, preferential treatment will be given to another 300 products. The products which will receive this treatment in the Uruguayan market include machinery, tools, minerals, petrochemical products, and garbanzo beans.

The Mexican Government will grant concessions to all Uruguayan imports within tariff schedules exempted of the advanced permit [permiso previo].

Trade between Mexico and Uruguay has a balance favorable to our country and which amounts to more than $60 million, basically due to oil exports.

Leaders Depart for Costa Rica

FL081532 Mexico City NOTIMEX in Spanish 0445 GMT 8 May 86

[Excerpt] Mexico City, 7 May (NOTIMEX) -- Uruguayan President Julio Maria Sanguinetti and Mexican Foreign Secretary Bernardo Sepulveda Amor left today for San Jose, Costa Rica. The Uruguayan president is concluding an official 3-day visit to Mexico. Sanguinetti and Sepulveda Amor will attend tomorrow's inauguration of Costa Rican President-elect Oscar Arias Sanchez.

Before departing, the Mexican foreign secretary said the Costa Rican elections conclude an import cycle consolidating democracy in Central America since the area countries have governments resulting from the electoral process. Sepulveda Amor said this new characteristic of Central American governments contributes to the competent environment stimulating peace negotiations and dialogue between the countries in conflict.

The Mexican secretary will be conveying a message from Mexican President Miguel de la Madrid expressing the Mexican government's support of the consolidation of democracy in Costa Rica.

MEXICO SELLS OIL TO JAPAN AT $10.85 PER BARREL

FL080250 Mexico City NOTIMEX in Spanish 2330 GMT 7 May 86

[Text] Mexico City, 7 May (NOTIMEX) -- The Mexican Foreign Trade Crude Oil Committee authorized an average daily price of $10.85 per barrel in the sales made to Japan during the month of April, PEMEX has reported. PEMEX said that Mexico adopted a mixed sales system that consists of the application of formulas that link the daily price to that of other crude oils being sold on the international market. Thus, in other cases like that of Japan, an average monthly price will be established and applied retroactively when the orders corresponding to that period of time have been made.

PEMEX reported that in mid-May the average prices of export crudes corresponding to the month of April will be announced.

BRIEFS

COCAINE SEIZED -- Federal Judicial Police have siezed 23 kg of cocaine with a value of approximately 1 billion pesos. So far 10 people have been arrested in connection with this, most of them Colombians. The narcotics groups also seized 9 kg of cocaine aboard a ship of the Maritime Transportation Company; three crew members were arrested. In addition, a band made up of six Colombians was detained at a downtown hotel. They had 14 kg of pure cocaine. [Text] [Mexico City XHDF Television Network in Spanish 0300 GMT 8 May 86 PA]

OPIUM CONFISCATED -- The Federal Judicial Police have confiscated 8 kg of opium valued at approximately $2 million and laboratory equipment for processing the drug and detained owner Felipe Maciel Espino. Sergio Luna Obregon, representative from the attorney general's office in Guerrero State, said the detention of the owner and the laboratory has been a blow to drug trafficking since Maciel Espino has implicated eight others in drug trafficking. The drug dealer told authorities that he harvested poppies from opium production from Guerrero mountains and processed the drug in the laboratory located in his home. Maciel is being detained on charges of activities against health and criminal association while his possible connection with drug trafficking in other parts of the country is investigated. [Text] [Mexico City NOTIMEX in Spanish 0333 GMT 7 May 86 FL]

ABADIA VOICES 'CONCERN' TO U.S. AMBASSADOR

PA081516 Panama City ACAN in Spanish 1845 GMT 7 May 86

[Text] Panama City, 7 May (ACAN-EFE) -- Foreign Minister Jorge Abadia today expressed to U.S. Ambassador Arthur Davis the Panamanian Government's concern and disgust over the "suspicious insistence" with which Senator Jesse Helms manipulates the hearings of the U.S. Senate's Subcommittee on Western Hemisphere Affairs. Diplomatic sources told ACAN-EFE that during the meeting, which was carried out in a friendly atmosphere, Foreign Minister Abadia delivered a note to the U.S. ambassador.

Ambassador Davis was one of the U.S. officials who spoke before the subcommittee chaired by Helms, shortly before assuming his post as U.S. ambassador to Panama on 26 March. His statement on Panamanian domestic policy prompted the Panamanian Government to give a protest note to the U.S. State Department; the State Department replied that Davis' statement had been misinterpreted by the press.

Diplomatic sources reported today that the note from the Panamanian foreign minister states that the hearings held by the subcommittee headed by Helms are unacceptable interventions in matters that are the exclusive concern of Panama, as a sovereign nation. The Panamanian Foreign Ministry feels that the insistence on conducting those hearings contributes to misconstruing the facts and gives room for misinterpretation.

According to diplomatic sources, Abadia's note states that those misinterpretations contrast with the excellent relations between the Panamanian Government and the U.S. Departments of State and Defense.

In a tone of mutual respect, Abadia stressed in his note the cordial understanding that exists between the Armed Forces of the two countries, as well as Panama's collaboration in the struggle against drug trafficking.

The Panamanian Government, describing Senator Helms as a long-time and continuous critic of Panama, reminds the U.S. authorities of the need to pay more attention to the subcommittee's activities. In mentioning the negative effects of the hearings, the Panamanian diplomatic note stressed the indignation they provoke in important national sectors, as well as the misleading of the U.S. public.

Diplomatic sources told ACAN-EFE that in his note Abadia mentioned the historic responsibility that must be assumed by those who are responsible for the transition toward the year 2000, a period during which Panama's destiny will be decided.

Station Raps Helms' Actions

PA081350 Panama City Televisora Nacional in Spanish 0000 GMT 8 May 86

["In-Depth Commentary"]

[Text] Televisora Nacional confirmed this afternoon that the National Government, through the Foreign Ministry, delivered to U.S. Ambassador Arthur Davis a formal letter conveying our country's deep concern for the suspicious insistence with which the Chairman of the U.S. Senate Subcommittee on Western Hemisphere Affairs is calling for hearings on the domestic situation in Panama.

We have affirmed in this manner that these hearings constitute unacceptable meddling in the sovereign affairs of our people. Panama had no other recourse. Foreign Minister Jorge Abadia was right to summon Ambassador Davis to his office so the Reagan Administration be made perfectly aware that Panamanians want an end to the willful misrepresentations of incidents against the good name of the country. Indeed, the prestige of U.S. authorities and prevailing friendship between the two countries cannot be imperiled by the actions of the subcommittee chaired by [U.S. Senator Jesse] Helms, as these can have negative impact in the permanent relations of the two countries. This would be regrettable, especially now when matters relating to the Panama Canal's defense, the compliance with the Torrijos-Carter Treaties, and the relentless control on drug trafficking are going so smoothly.

Let us hope that Ambassador Davis will quickly and calmly present this position to the high authorities of his illustrious government. Thank you.

COCINA ACCUSES MILITARY HIGH COMMAND OF CORRUPTION

PA082208 Panama City EXTRA in Spanish 7 May 86 p 20

[Text] The military high command is promoting destabilizing movement and sedition in which it intends to involve the young officers, the Coordinating Board for National Civilianization Cocina, says in a communique. Cocina, the communique adds, is issuing a warning over the military dictatorship's dangerous actions "aimed at severing the freedom of expression in order to increase repression and using brute force to sustain the reign of corruption and unethical values."

Referring to specific cases, Cocina says the fine on the newspaper EXTRA, the prohibition of Dr Hugo Spadafora's quotes, the attack on the Spadafora family, the repression against Dr Miguel Antonio Bernal's "Alternativa" program, and the treacherous attack on legislator Carlos Arellano Lennox "are part of a series of attacks on the news media and citizens who have raised their voice to protest."

"Cocina makes a patriotic call to all Panamanians to unite, to set aside political selfishness, and to really take part in the struggle for Panama's democratic transformation." When the "people gain represented by the freedom of expression is about to be abolished, Cocina calls on the political parties, civic organizations, and on every Panamanian "to unite around a nationalist, civil, democratic, and popular project," Cocina's communique states. [quotation marks as published]

Assembly To Investigate Attack

PA090148 Panama City LA PRENSA in Spanish 7 May 86 p 18A

[By Flor Quintero]

[Excerpt] Camilo Gozaine, president of the Panamanian Legislative Assembly, has repudiated the attack carried out against legislator Carlos Arellano Lennox on Saturday, promising to appoint a special commission to investigate the case in depth.

During an interview with LA PRENSA yesterday, the president of the legislature said: "As citizens we disagree...we will never allow cases like these to continue to happen here in Panama." As a legislator, he continued, I am very upset because legislator Arellano Lennox is an honorable man. His behavior in the Legislative Assembly has always been very proper. He is a man who keeps his word and is an honest citizen." [quotation marks as published]

Gozaine said that the Legislative Assembly will adopt all the pertinent measures to counter this attack, even if members of the state security, National Investigations Department, or pro-government or criminal groups are involved in the action.

MARCHERS DEMAND 'FREEDOM OF EXPRESSION'

PA081618 Panama City LA PRENSA in Spanish 8 May 86 p 1A

[By Flor Quintero]

[Text] "Here is the proof that Panama is a center of drug trafficking and corruption" Miguel Antonio Bernal shouted before the people who applauded him at the Government and Justice Ministry after the "Pro-Defense of Freedom of Expression" march.

In fulfillment of his warning that he would march with the proof in his hands after being summoned by Government Minister Rodolfo Chiari De Leon, the commentator of the radio program "Alternativa" was supported by hundreds of people who marched from the University of Panama's law faculty to the Government and Justice Ministry in the area known as Catedral.

The marchers carried posters and shouted slogans such as: "Bernal is not alone," "The people can no longer be deceived ... Alternativa must remain," "For the liberty of freedom of expression the people take to the streets militantly," and "Down with the murderous military." They marched the length of Central Avenue. The march was headed by radio commentator Bernal, who throughout the demonstration carried a white bag hanging from a red ribbon, which bore the inscription "here is the proof."

When the march ended at the Government and Justice Ministry, a political meeting was improvised during which the director of "Albernativa" addressed the people from the ministry's steps saying, "We have arrived at this ministry, which 18 years ago ceased to be a Government and Justice Ministry to become an accomplice of all the crimes and arbitrary actions that are committed everyday against our people." "This regime has turned this country into a center of drug trafficking and corruption to our detriment and that of our children. They want proof of this and I am going to give them proof."

In the absence of Government Minister Rodolfo Chiari, the commentator presented "the proof" to Alejandro Moncada, general secretary of government and justice. The proof consisted of documentary and testimonial evidence calling for statements from Panamanians who have irrefutable proof that Panama is a center of drug trafficking.

Barnal also requested that Colonel Julian Melo Borbua, retired, General Ruben Dario Paredes, retired, and all the members of the General Staff be summoned so they can explain how they obtained their properties.

The demonstration ended with shouts of "Panama, bridge of the world, center of the universe ... center of drug trafficking and corruption."

COSTA RICA

UNILATERAL DEBT PROGRAM MORATORIUM DECLARED

FL080200 Mexico City NOTIMEX in Spanish 0020 GMT 8 May 86

[By Oscar Hidalgo]

[Text] San Jose, 7 May (NOTIMEX) -- Today Costa Rica declared a temporary moratorium on its foreign debt payments, official sources have announced here. The decision was made at the time of the passing of power from Luis Alberto Monge to Oscar Arias Sanchez, who will take over the leadership of the government 8 May. The decision to declare a unilateral moratorium was announced by Central Bank President Eduardo Lizano Fait, who explained that the debt amounted to $110 million dollars. Lizano Fait said that the World Bank, the IMF, and the creditor banks have suspended payments of new money that had already been approved. Nevertheless, they demand the carrying out of fiscal reforms to go ahead with the delivery of funds.

ARIAS INAUGURAL SPEECH REAFFIRMS CONTADORA

PA082025 San Jose Radio Reloj in Spanish 1812 GMT 8 May 86

[Inaugural speech by President Oscar Arias at the National Stadium in San Jose -- live]

[Text] Mr Luis Alberto Monge: When a man leads the fatherland in the most difficult times of its history and concludes his term surrounded by the love of all the people, there is nothing else to tell him but thanks. You don't need to wait for history to judge you, you are already in the heart of the people of Costa Rica. [applause]

Mr and Mrs Luis Alberto Monge Alvarez; Messrs former Presidents of the Republic, Mrs President of the Legislative Assembly, and Messrs Deputies, Mr President of the Supreme Court and Messers Magistrates, Messrs Comptroller and Deputy Comptroller of the republic, Mr Attorney General of the Republic, Your Excellencies Chiefs of State, Your Excellencies Vice Presidents of State, Your Excellency the Reverend Archbishop of San Jose, Your Excellencies Chiefs of Special Delegations, Messrs former Presidents of the Republic [repeats as heard], Your Excellencies the Reverend Bishops of Costa Rica, Messrs Ministers and Deputy Ministers, distinguished ladies and gentlemen, my dear Costa Rican people:

A few minutes ago I swore to God and Costa Rica that I will serve my fatherland from the Presidency of the Republic. I am assuming office by mandate of a people who are proud of their century-old democracy forged in the liberty of its children, whose sovereignty rests not only on legal foundations, but on the respect and admiration of the other nations.

I reaffirm here the words of President Jose Maria Castro Madrid: I want my fatherland, since it cannot be feared for its strength, to be considered for its justice and peace; so that the civilized world's anathema falls on anyone who harms it. We do not have weapons, but let us have the sympathy of nations. These words, expressed more than 1 century ago, are valid for the Costa Rica of yesterday, today, and always. My sense of duty, but most of all my love for Costa Rica, moves me to define for you the objectives of my government and confirm, to my country and the world, the principles that will guide the political activity of the new administration.

I am stating these objectives and principles as a guarantee that our democracy will never be stained by words or actions that counter the popular will expressed in the elections; as a confirmation that no one cast a shadow on the state's independence in regard to the various social groups; as testimony to our firm loyalty to the values of the fatherland; as a homage of gratitude to the inspirations of our forebears; as an optimistic welcome of that young fatherland that assumes the responsibility of responding to the serious challenges that are threatenening today; as a breath of hope from the poorest sectors; and as a way to thank God for this, our Costa Rica.

Never before in our history have the internal and external aspects which affect the life of the nation been so closely related. It is no longer possible to talk of peace and liberty and to make decisions about our development without first taking into account events occurring beyond our country's borders. In order to guarantee liberty and the just distribution of the fruits of growth among nations, we must form alliances based on values and principles which are shared in good faith.

We live in a difficult and tormented world. We live in a region where, in addition to serious economic and social problems -- typical of the North-South situation -- we have, unequivocally, those of the East-West confrontation. Here in the heart of the Americas, a cross is taking shape, and it is projecting a somber outlook. It is one of those crosses that mark the limit between war and peace and which mark on the map of the world the places where peaceful coexistence is threatened. We live in a difficult and tormented world. All too frequently we see that there is no relation between the speed with which a problem appears and evolves and the slowness of our responses.

In the meantime, we are accumulating, in cold statistics, the victims of terrorism and violence, the human beings who do not have homes and jobs, the youths consumed by drugs and alcohol, those who die of hunger in the world, until we are surrounded by a wall of insensitivity, hiding the ineptitude of many political systems. We live in a difficult and tormented world. Almost every day we see how policies foreign to the sacred values we try to share are applied. Thus, the savings of free men often come through the international financial system to lands ruled by tyrants that trample on liberties. Apolitical euphemisms are cynically invoked to popularize the amoral. Does not the same thing happen with arms?

I am convinced that we can overcome all of the challenges of this difficult and tormented world if we are capable of teaching and applying policies that are in keeping with our highest values. These values must govern internal political convictions as well as international relations between states. In the internal sphere we are at a crossroads. If we choose the right path we will lead the country to the goal of prosperity and justice, we will safeguard its institutions and strengthen its freedoms. If we mistake the path, we will be responsible for our children's poverty and the establishment of selfishness and tyranny. It is essential for me to call on all of my fellow countrymen to reflect on the situation, and to ask them to unite in response to the unavoidable challenge of the times.

For several decades we enjoyed the benefits of sustained development. In every field of national life that era of progress meant important changes; from education and health to housing and recreation there was evident progress. Costa Rican's standard of living improved. Democracy demonstrated that in poor countries, too, it is the best political system to achieve a just development.

The economic crisis of recent years, however, has deepened weaknesses and structural imbalances. It has increased the gap between public income and expenses and between imports and exports, becoming a chronic problem. The country increased its foreign debt to satisfy short-term needs. The standard of living dropped, unemployment reached intolerable levels, and the country shook in the midst of a generalized panorama of social deterioration.

With great sacrifices by our people, with a realistic economic policy and the generous support of friendly countries, it was possible to achieve relative stability. Now we must follow a difficult path of deep changes and urgent adjustments in the national economy. We propose to modernize the structure of production and to take the greatest advantage of trade opportunities that may emerge. We understand that the economic future will not be easy. We will face it realistically. Economic transformation will gradually lead us to recover the standard of living we enjoyed before the crisis. Despite problems and obstacles, we will fulfill our foreign financial commitments, but we will struggle on every front for improved conditions for our development.

My government will never promote measures that will benefit a few of that will cause suffering and uncertainty to many. I believe in a humanitarian economy, the main objective of which is always man's well-being. By defining the new paths that Costa Rica demands, we propose to restructure the economy so that it will never be separated from the anguish and grief, happiness, and hopes of our men and women.

As a nation, we must be proud of the high national consensus that exists in response to the challenges the fatherland is facing. When we observe the high degree of agreement between the means that the different sectors advocate for the achievement of our goals, we see how fortunate we are. It is true that ocassionally the differences that separate us are important. In response to these differences the tone of the debate may be impassioned, but it will always be loyal to Costa Rica's interests.

Today we face new challenges. The problems of the present need different solutions, full of imagination and shrewdness. Old solutions are not acceptable. Never before has the country so demanded that in response to these challenges we use the traditional and beautiful virtue of agreeing and struggling together for all that which can make us greater. The country has not been presented to us for us to mold to our liking as if it were newly born. We received the responsibility of leading a country whose citizens have deep democratic convictions, a nation that has matured throughout its history and had forged institutions that it is not willing to lose.

Fortunately, Costa Rica has its own profile as a nation that its leaders must respect. I have committed myself to a Costa Rica that loves its liberty, that is devoted to democracy, and firmly believes in the law as the only way to resolve conflicts among men. The day after the elections I went to the Metropolitan Cathedral. I thanked God for the inestimable gift of making us all winners after the electoral process. Today, before the fatherland's altar, the campaign promises I made that day before God's altar have become goals for Costa Rica and its people.

All our government actions will be based on the spiritual principles of Christian civilization. No temptation will ever distract us from the most sacred moral values. No temptation will ever make us give up our humility. No temptation will ever make us forget our commitment of serving the most humble. We will tirelessly struggle for the full incorporation of women, who augur a greater Costa Rica, a Costa Rica where hatred and violence will never have a place in our social, political, and economic struggles.

We are going to incorporate the young people. All the great and beautiful things we inherited from our forefathers will be preserved with pride.

However, we also want to do new things, in response to the challenge of the times. We are living in a new world, but we have still not resolved very old problems, which are painfully reflected in a neglected Costa Rica. Many compatriots do not have a job or a dignified roof to shelter their families with love. Only education and culture are valid pillars in Costa Rica for transformations in liberty. Discipline, courage, imagination and creativeness, and love of nature and life will be our new educational goals. Sharing together the fruits of culture is our true wealth and the basis of our spiritual growth. Culture and education forge democracy and liberty. We are going to build 80,000 houses and we are going to generate 25,000 jobs a year. We are going to facilitate the creation of parks...[applause] we are going to facilitate the creation of parks for the healthy recreation of men, women, and the elderly.

Distributing political power is imperative. Communities, through municipalities and development associations, will make their own decisions. Each community knows its problems better than anyone else, and only if each community assumes its responsibility in resolving its own problems will we have a freer and more prosperous society.

We will struggle for greater economic democracy. The cooperatives must be extended to include the entire country and all of the country's acitivities. This is the best way for more Costa Ricans to have property and to participate in the creation of more wealth for all.

I vigorously declare my commitment to struggle untiringly against correpution. There will be no room in Costa Rica for drug trafficking or for men or women who in their public or private acitivites seek to become rich through dishonest means. [applause]

This is a sacred mandate we have received from our people, which at this hour calls for the restoration of absolute trust between the government and the people it governs, which calls for a future where there will be no dark clouds in the soul, where there will never be treason in the actions of the government leaders. We will say what we think and will do what we say. We will faithfully fulfill our commitment to defend and strengthen peace and neutrality. [applause] We will keep Costa Rica out of the armed conflicts in Central America, [applause] and will struggle with diplomatic and political means to keep our brothers in Central America from continuing to kill each other. [applause]

In order to begin the task of modernizing the state, an action which cannot be delayed, we must begin by redefining and strengthening our security and the state of law. We must promote the social change that Costa Rica demands with the law in our hands. The law is our main instrument for change and development. Our country's reality is a vivid testimony that security is not preserved with weapons. Costa Rica's security has been preserved with its prestige as a nation whose banner is reason and law, and which refuses to get involved in military conflicts that could endanger the peace and security. [applause]

I affirm that thanks to the international policy implemented by Costa Rica during most of its history as an independent nation, a policy of peace and nonintervention, we have emerged in the international community stronger than we would have if we had had to defend our security with weapons. Costa Rica will stay away from war. It will do so to strengthen its deep-rooted tradition of peace. [applause] It will do so to preserve its civil traditions, to maintain a climate favorable to economic development and social harmony. We will be neutral concerning the regional armed conflicts.

We are against war; for us peace has an unquestionable value. International law has been our strength, and it always will be. [applause] We will never negotiate over our national dignity. We will not tolerate any threat, offense, or action which could impair that dignity. We are a nation of sensible and peace-loving citizens.

However, let no one feel that these virtues that dignify us can at any time weaken or unflinching resolve to defend Costa Rica. [applause] We will never capitulate in our struggle against any threat to our sovereignty. I pray to God to enlighten us so these goals will take root in the heart of each Costa Rican. I am the president of all, and we will govern together without discrimination. When it comes to privileges, we will make an exception in favor of the poor. To the extent that justice increases we will make our freedoms more indestructible. [applause]

The oasis of peace we enjoy, our land's image as a haven of freedom, and our image as a paradigm of democracy throughout the world are virtues of which we are proud as a people. We want to share these virtues with all sister nations on the continent. When I look beyond our borders, my spirit is gripped by opposite feelings of joy and sadness. How could we fail to greet with joy -- with immense joy -- the return to democracy of so many brotherly countries which have recoverd their political freedoms in Latin America during this last 5-year period? [applause] As the oldest democracy in Ibero-America, Costa Rica greets with delight this return to freedom and renews its faith in a better destiny for the Americas. From now on all of us will tread the paths of free men.

How could we not feel unhappy because, after the fall of dictators, a gruesome picture of creulty, of useless indebtedness, of unbridled corruption, and systematic violations of human rights has been bared before the world? [applause] How not to be happy over the brave and solidaristic peace effort made by the member countries of the Contadora Group? [applause] How good it is to see the new democracies in sister nations join this effort through the Support Group! [applause]

How could we not be saddened by the doubt that some of them may flout this effort and use it for purposes other than the hoped-for peace? [applause] How could we fail to be full of joy and optimism upon learning that today, like never before, so many men and women in the three American regions and the Caribbean have an opportunity to fulfill their dreams of democracy?

How not to feel sad because at the precise time that the path to freedom is widening in the Americas, the soil of Central America is still being bloodied by violence? How not to feel happy that we Latin Americans have rejected despotism and adopted the pluralistic path of democracy to resolve the worst economic crisis on our continent? How not to feel sad when we see that we have not yet been able to establish the necessary cooperation with the Western powers, our sisters in democracy, to overcome our serious economic difficulties?

Upon comparing one with the other we see with satisfaction that the happy situations prevail over the sad ones. At this time of such bright outlooks for Latin America, we will not relinquish our optimism and our hope and confidence in our countries' democratic future. Together we must struggle, without hesitation, to maintain the freedom we have attained and to consolidate democracy and peace throughout our region. Costa Rica reiterates its undying faith in the search for a peaceful solution, through diplomatic channels, to the pressing Central American problems. Here we confirm our support to the Contadora Group, and our commitment to sign the Contadora document for peace and cooperation in Central America, which is the fruit of long negotiations. [applause]

The efforts of the Contadora and Support Groups faithfully reflect the hope to generalize the democratic regimes in Central America and on the continent. The peoples on this continent have understood after anguishing dark periods of intolerance and death that the challenges of development can only be taken up in peace founded on tolerance and respect for the rights of all Americans. Peace must be democratic, pluralistic, tolerant, and free in America. There will not be peace as long as intransigence and an absence of dialogue exist. In political negotiations, the necessary accommodation must be sought to achieve harmonious coexistence among peoples.

This negotiation has the support of the Central Americans, Latin America, and the entire continent. We must not fail in our efforts to find political solutions at all continental forums. We must warn those who doubt diplomatic solutions and the power of international dialogue to avert bloodshed. It is foolish to confuse dialogue with weakness. It is unwise to undermine diplomatic efforts with disloyal intentions. For this reason, diplomatic negotiations must not be prolonged indefinitely. To accept such attitudes would mean changing the sense of the dialogue, making it an instrument of deceit and a mockery of good faith.

Costa Ricans demand the establishment of fixed deadlines for the due fulfillment of commitments made. The date 6 June is a sacred date. On that day we should sign the Contadora document. Beginning at that moment, my government will encourage, [applause] in close coordination with friendly nations concerned about the fate of Central America, the development of three simultaneous processes. The first stage will be implemented in the next few months and it will include efforts to get the various congresses to ratify the document. Then we will be involved in a tenacious effort to implement the mechanisms contained in the agreement. In the third stage, we will promote the prompt opening of dialogues for national reconciliation in the countries affected by violence. The objective will always be to create or strengthen the institutions that are inherent in a democracy. These processes will be the backbone of Central American peace. God help the leaders who intend to mock the Contadora Group. Those who act in this way [applause] will betray the commitment of consolidating democracy among the Latin American nations.

Costa Ricans and dear friends who are visiting us from all parts of the world: Today in Costa Rica, the grateful hands of new generations are fraternally shaking the hardened hands of men and women who gave us so much. We must face challenges that are different from those of the past. We do not fear them and, for this reason, we can face them in peace and liberty. For this reason, we must listen to the freedom call of Bolivar and must heed it. The Contadora call is Bolivar's shout for freedom. When certain brother countries united in Contadora to work for peace, (?they proclaimed that) only democracy and freedom can prevent war.

Victor Hugo said that there is nothing stronger than an idea whose time has come. This is the time for democracy. Dictatorships belong to the past. Democracy, the government of the majorities, is the only path to free us from misery and dependence. [applause] Because there are more than enough reasons, it is the time to make Bolivar's dream a reality. Tyrants have no place on our continent. [applause]

Costa Rica believes in the need for an alliance for liberty and democracy in the Americas. We must not be allies -- economically or politically -- of governments that oppress their peoples.

I call for the formation of an alliance for liberty and democracy in the Americas and the Caribbean. [applause] It will be liberty and democracy for development, justice, and peace. In this great political enterprise there is no room for the fainthearted and the weak of spirit. It is the time to respond to the challenge and fulfill hopes. It is the time for us, who believe in liberty and democracy as the only weapons to overcome injustices, to close ranks and unite inseparably.

My loyalty is with the people of Costa Rica. My faithfulness is with the history of my fatherland. My commitment is with the future. I will not evade my duties to lead my fatherland when life and death, war and peace are at stake. [applause] I count on the compatriots who have an undying faith in the future of the fatherland. I count on the citizens who have the will to design a different future. I count on wise men and women who want to build, with their own hands, a happy destiny, inspired by love for Latin America.

I invite my compatriots so that together, as the protagonists, we can write a new chapter in our history uniting imagination and memory. In order to face a great challenge, like that overcome by our forebearers, we must recognize what they did for us and decide what we want to do for our children. Let's listen to Jorge Bravo, the poet whose voice is calling us: Listen to us working, let us create the world. With steps and with eyes, let us create the world. With the best of all ages, let us build the world. Hang on to this new view, let us build the world. With the bones of all our forebears, let us build the world. Brick by brick, man by man, let us create the world again. Thank you. [applause]

BOMB THREAT CUTS ARIAS PRESS CONFERENCE SHORT

PA080439 Paris AFP in Spanish 0249 GMT 8 May 86

[Text] San Jose, 7 May (AFP) -- Today Oscar Arias Sanchez, Costa Rican president-elect, reiterated that the only alternative for Central America is to sign the Contadora peace document. "Otherwise, an apocalyptic war would destroy all of us," he said. In a press conference, which had to be interrupted abruptly when the alleged existence of a bomb was reported, the new Costa Rican president gave assurances that the Sandinist government, so far reluctant to sign the Contadora Document, is revising its position.

Arias said: "We need peace for development. If the Contadora document is not signed, that would mean the continuation of the war." He added: "I am sure that Nicaragua is seriously thinking of signing that document." Commenting on the relations between Costa Rica and Nicaragua, Arias, who will be inaugurated Thursday, said that in the past the relations have not been so friendly, owing to the Nicaraguan Government's "attitude." Arias added: "We are aware of the resentment toward Costa Rica because Nicaragua does not have a democracy like ours. However, this should not be an obstacle for the relations to be as friendly as possible."

Arias denied that there had been pressure from the United States because of his statements rejecting the aid for the Nicaraguan contras proposed by President Ronald Reagan. Moreover, Arias repeatedly expressed his decision to comply with the neutrality policy proclaimed by his predecessor, Luis Alberto Monge, and of not allowing the use of Costa Rican territory in actions against neighboring governments.

Asked his opinion on whether or not Nicaragua intervenes in the internal affairs of neighboring countries, Arias said he has no reason to judge the Managua government. However, he noted: "There are people in Nicaragua who believe that the only way to force the Sandinist government to give way is war." The new Costa Rican president added: "What we have done is to give the opportunity to Nicaragua -- should the Contadora document be signed -- to solve its problems through negotiation." He emphasized: "The survival of the region depends on the peace."

Regarding the foreign debt problem, Arias affirmed that unless Costa Rica gets better payment terms, it will be difficult to achieve development. Arias noted: "There must be a lot of understanding from the international banks, from the friendly nations, and from the international institutions on the payment of that debt."

Finally, Arias said that terrorism and drug trafficking "are two of the most serious threats to world coexistence." He announced that his government will maintain an attitude "as strong as possible" about these two problems. The news conference of the Costa Rican president-elect, which was attended by some 100 local and foreign newsmen had to be interrupted abruptly, "for security reasons."

Police agents surrounded the hapless president and, after giving him a message not disclosed to the press, took him out of the conference room under strict security measures. Unconfirmed reports say that two anonymous telephone calls had warned about the existence of a bomb at the conference room. Once President Arias had been taken out of the place, the newsmen were also asked to leave the room. Some 30 minutes after the suspension of the conference, no further incidents had occurred at the place where the press conference was being held.

EL SALVADOR

DUARTE ON BORDER DISPUTE WITH HONDURAS

PA082313 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 8 May 86

[Text] The Hondurans are interested in seeing the border we share with El Salvador fully delimited. This was stressed during the conversation between journalist Danilo Antunez and Salvadoran President Jose Napoleon Duarte, following a news conference. Danilo Antunez asked about El Salvador's position concerning the signing of a treaty and the mechanisms to be followed at the International Court of Justice to settle the dispute. President Jose Napoleon Duarte said that the court's ruling concerning the border dispute will be respected, and they will abide by the court's decision.

[Begin recording] [Antunez] Engineer Jose Napoleon Duarte, we represent Radio America in Honduras. Has your government definitely decided to let the International Court of Justice handle the border dispute with Honduras?

[Duarte] Well, according to the treaty, this is a fundamental point. Once the period of bilateral negotiations expires, we begin the period of preparing to present the case at the court. We are ready and prepared to sign the treaty with Honduras... [corrects himself] to start the mechanisms to be followed in the process at the court. We are currently working on this and [words indistinct].

[Antunez] Will El Salvador respect an International Court of Justice ruling?

[Duarte] I think this is fundamental. If the two countries, Honduras and El Salvador, reach an agreement on the methods and mechanisms, and on seeking the court's help, it is because we respect the concept, the importance of an international court.

[Antunez] When will you visit Honduras, Mr President?

[Duarte] When President Azcona invites me. I will be pleased to go. [end recording]

OFFICERS DENY ALLEGED LINK TO KIDNAPPINGS

AFP Correspondent Summoned

PA072001 Paris AFP in Spanish 1936 GMT 7 May 86

[Text] San Jose, 7 May (AFP) -- Ana Cristina Hasbun, the AFP correspondent in San Salvador, was called this morning by the Armed Forces General Staff where two of its officers notified her of its decision to charge her with "slander." Asked about this on his arrival in San Jose this morning, President Jose Napoleon Duarte, who will attend the inauguration of new Costa Rican President Oscar Arias tomorrow, Thursday, said that the correspondent has not been arrested and justified the right of the military to interrogate her on reports published today.

In a dispatch, Ana Cristina Hasbun cited statements by Radio Venceremos, of the FMLN, accusing Lieutenant Colonel Rene Emilio Ponce, chief of operations of the Joint General Staff, and Colonel Orlando Zepeda, Army chief of intelligence, of being implicated in several kidnappings that have been carried out by an extreme right-wing group in El Salvador. After being interrogated by officers who recorded her testimony, the correspondent left the office of the General Staff shortly after noon today (1800 GMT).

AFP Dispatch Censured

PA081748 Paris AFP in Spanish 2054 GMT 7 May 86

[Excerpts] San Salvador, 7 May (AFP) -- General Adolfo Blandon, chief of staff of the Salvadoran Armed Forces, today categorically rejected any link between Lt Cols Rene Emilio Ponce and Orlando Zepeda and the kidnapping of industrialists, which is being investigated here. General Blandon made this statement to Ana Cristina Hasbun, AFP correspondent in El Salvador, who was summoned by the two staff members. Ponce ad Zepeda threatened journalist Hasbun with a lawsuit over her "defamation," because she reproduced in an AFP dispatch charges made by Radio Venceremos, the FMLN's official voice, linking them to the kidnappings.

Gen Blandon expressed his concern over the contents of the dispatch, described Radio Venceremos as "irresponsible," and stressed that the two officers -- Lt Col Ponce, chief of Operations of the Joint General Staff, and Lt Col Zepeda, chief of intelligence -- are military men "with a clean record, who are well-known for their great responsibility and professionalism."

Lt Cols Ponce and Zepeda summoned the AFP correspondent to their offices to express their indignation over the mention of their names in the dispatch. They censored the use of the Salvadoran guerrilla's station as a source of information. The credentials granted to the journalist by the Armed Forces Committee (Coprefa) were retained by the authorities of the Salvadoran Army's Staff.

INVESTIGATION BEGINS ON 'DITCH OF DEATH'

PA071557 San Salvador Radio Cadena YSKL in Spanish 2000 GMT 5 May 86

[Excerpts] It has been 5 long years since Civil Defense members in Los Mangos, Armenia jurisdiction, spread terror in this small rural village located in this country's eastern area. On orders from President Jose Napoleon Duarte, the Commission to Investigate Criminal Offences headed by Justice Minister Julio Alfredo Asamayoa, was created. Finally, after five frustrated attempts in recent years, today a team of experts from the Firemen's Corps, the National Police's Special Scientific Research Unit, and the Commission to Investigate Criminal Offences headed by Luis Dominguez Parada and Colonel Nelson Lopez y Lopez began to excavate a ditch in Las Piletas known as the ditch of death. Civil Defense members led by Commander Nandino Tula had captured area residents and accused them of committing subversive crimes. They hurled at least 15 persons into the ditch which is approximately 60 meters deep.

Authorities feel that finding a single piece of evidence of human remains will constitute sufficient and irrefutable proof to arraign at least 10 Civil Defense members of the Los Mangos Canton because these persons have already stated they hurled several people into the ditch of death, located on a small farm in Las Piletas, Los Mangos Canton, Armenia Jurisdiction.

COPREFA REPORTS 436 REBEL CASUALTIES IN APRIL

PA062248 San Salvador Canal Doce Television in Spanish 0300 GMT 6 May 86

[Report issued by Coprefa; date and place not given -- read by Carlos Armando Rivera]

[Text] Today the Salvadoran Army issued a report on its counterinsurgency activities during the month of April. In it, the Army claimed to have caused 436 FMLN guerrilla casualties, including prisoners, defectors, and forced civilian recruits. The Armed Forces' official spokesman said that this resulted from counterinsurgency operations in Chalatenango, Morazan, Usulutan, San Vicente, and Cuscatlan Departments. Coprefa has said that the casualties include 127 dead, 195 wounded, 2 prisoners, 73 forced civilian recruits, and 39 defectors. The report also says that the Armed Forces confiscated 97 rifles, 98 grenades, 2 pistols, 1 heavy machine gun, 125 mines, and abundent material to manufacture explosives. During the counterinsurgency operations, five graves containing the bodies of six guerrillas were found on the banks of the Aciguillo River, Tenancingo jurisdiction, Cuscatlan Department.

The Army has admitted that during the counterinsurgency operations 30 soldiers were killed, 150 were wounded, and 41 were killed in accidents aboard combat aircraft. It has also been reported that the guerrillas have continued to sabotage the national economy by destroying 41 electricity posts, 18 pylons, an Agricultural Development Bank storage house, and the National Administration for Telecommunications facilities at San Buenaventura, Usulutan Department. Coprefa has also reported that 18 civilians have been killed and 18 wounded by mines planted by the guerrillas in territories in conflict.

VENCEREMOS ON DUARTE CLEARING COL STABEN

PA082308 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 8 May 86

[Station commentary: "Napoleon Duarte Bows His Head Before the Colonels, Puts the Lid on the Sewer, and Opens the Death Well"]

[Excerpts] Before boarding an aircraft out of the country, Napoleon Duarte exonerated Colonel Mauricio Staben, one of those involved in the case of the kidnappings, from all responsibility. We had said it. Duarte will put the lid on the sewer because he risks drowning in it. Regarding the death squads, Duarte cannot and does not want to cast the first stone, because all of them are guilty.

The dark channels of the sewer led to Col Staben, a CIA agent and commander of the Arce Battalion, trained in Honduras by the Americans; Colonel Rodriguez Murcia, cavalry regiment chief and second in command to Colonel Sacasa; and Major Jose Alfredo Jimenez. The thread continued until it led to Colonel Emilio Ponce himself, staff chief of operations, and other high-ranking officers were also involved.

At this point, the U.S. Embassy and Duarte ordered the investigations suspended immediately. This is the limit for Duarte's political game. The information, however, leaked to the news media, and the sewer was left half open because the names of 21 others involved have not yet been disclosed. In a military intelligence report that we published some days ago, we indicated that the military faction headed by the so-called philharmonics [filarmonicos] to which Staben belongs had threatened Duarte with preventing his return to the country if he did not make a public statement exonerating Staben and guaranteeing that he would put the lid on the death squads' sewer. His trip to South America being so close, this meant the greatest humiliation for Duarte. He made efforts for Coprefa of Rey Prendes to make at least the public announcement of putting the lid on the sewer. Yet, in order to make Duarte's humiliation more shameful, the High Command demanded that he himself and in his own voice pronounce Staben innocent and announce the colonel's reinstatement as Arce Battalion commander.

VENCEREMOS CLAIMS 55 KILLED IN 1 MAY PLANE CRASH

PA080004 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 7 May 86

[Text] Attention, we now bring you an intelligence report that confirms that the number of military men killed in the Air Force DC-6 plane is higher than the figures reported by the military High Command. This intelligence report specifies that 55 military men were killed in the DC-6 plane and not 37, as General Bustillos reported.

The report added that these flights to Panama are not made very frequently during the year, and are to take Air Force officers, noncommissioned officers, and experts to Panama for training. These flights are used to take members of their branches -- such as the infantry and artillery branches, for example -- to undergo training in communications, intelligence, and so forth. The DC-6 flight that left from Ilopango base early in the morning of 1 May was also carrying 18 Army soldiers, including cadets and noncommissioned officers. Therefore, the Duartist Armed Forces sustained 55 casualties on 1 May near Tonacatepeque.

Gen Bustillo and Blandon decided at the site of the accident to hide the 18 infantry casualties and admit to only 37 Air Force casualties, which were impossible to hide. The 18 cadets and noncommissioned officers had been taken to Ilopango from various garrisons, and for security reason were told they were traveling to Panama just a few hours before boarding the DC-6 plane.

Gen Blandon gave strict instructions to the Coprefa chief that the truth must not be leaked to the news media. In his nervous attempts to hide the truth, Colonel Mauricio Hernandez said in the Coprefa communique that the 37 deaths were part of the casualties for the month of April, when in fact they are part of the casualties sustained by the Armed Forces during the month of May.

HONDURAS

AZCONA DISCUSSES RELATIONS WITH NICARAGUA

PA080440 San Jose Radio Reloj in Spanish 1625 GMT 7 May 86

[News conference by President Jose Azcona Hoyo with unidentified reporters in San Jose, Costa Rica -- live]

[Text] [Announcer] Honduran President Jose Azcona Hoyo is holding a news conference, which started a few minutes ago. He has referred to the Central American and Nicaraguan situation. He said that Honduras is not in any conflict with Nicaragua, and that if Nicaragua signs the Contadora Peace Document, all the U.S. military advisers and experts currently in Honduras will leave that country within 48 hours, as long as the Sandinists also withdraw all their foreign advisers from Nicaraguan territory. Let us hear the Honduran president's statement:

[Azcona, in progress] ...even so, they receive the benefit of the general amnesty, although they were charged with crimes such as placing a bomb in the Supreme Court of Justice, causing the death of a policeman, as well as participating in other terrorist actions. However, since they were dealt with as political prisoners, the crimes they committed were included among those to benefit from the general amnesty and they were all released during Holy Week. There is not a single political prisoner in Honduras. There are no political refugees in our country, and not a single Honduran is in exile. Under these conditions, Hondurans have a perfect right to think about having real peace in Central America and to expect that no citizen from any Central American country should be expelled from their respective country. This is what we in Honduras would like to see. During the next 4 years we are going to make every effort to ensure that there are no political prisoners in Honduras or that any citizens of Nicaragua, El Salvador, Guatemala, or Costa Rica have to leave their country as refugees.

[Reporter] Mr President, just a while ago you said that Honduras is prepared to sign the Contadora peace plan. On the other hand, Nicaraguan President Daniel Ortega has constantly said that Nicaragua is not going to stop arming itself at any time. Since a fundamental point in the Contadora peace plan is disarmament [words indistinct] if Nicaragua does not accept it?

[Azcona] The Nicaraguan Government's problems are different from those that the Honduran Government has. In my office at the Presidency, I receive notes from the most humble peasant, from groups asking for the construction of a school or asking for drinking water facilities or electricity. We cannot deny these things to the people. We cannot use our funds to buy arms and to promote a warmongering policy.

Since we cannot spend our money in buying arms and on increasing the number of men in our Army, which already has over 17,000, we have resorted to the bilateral agreements we have with other countries, especially with the United States, to help us in such cases as the one we faced during Holy Week. If Nicaragua does not sign the Contadora Peace Plan because it does not want to reduce its arsenal or its troops, then the world will know which country wants peace and which country does not. We will abide by everything established in the Contadora Peace Plan and we expect the other countries to do the same.

[Reporter] Mr President, are the presidents going to discuss Latin America's foreign debt when they meet tomorrow?

[Azcona] I have been informed about a presidents meeting tomorrow. I think we are going to exchange views about the foreign debt. When I assumed the Presidency I said, and I will repeat it again, we will support the Latin American countries in decisions to counteract the effects of unjust commercial exchange terms and high interest rates from international and foreign private banks and also the problem of the foreign debt. Latin American countries can depend on the Honduran Government's solidarity and support in any decision they reach in this respect.

[Reporter] Nicaraguan Vice President Sergio Ramirez said he hoped that relations between Hondurad and Nicaragua would improve under your administration. We have heard about better communications between the Sandinist government and your government. Do you really think that relations with Nicaragua have improved? Is there any type of communication going on with the Sandinist government?

[Azcona] On Easter Sunday I talked to the Nicaraguan president, I told him about Nicaraguan helicopters flying over Honduran territory. He told me he did not know anything about it. I asked him to find out because what I was telling him was the truth. I even told him about Nicaraguan troops intering our territory and that we were going to repel them if necessary and that we did not want any problem. This was the last time we talked. He tried to get in touch with me all day Saturday, but it was not until Sunday that he reached me. He called to complain about President Monge's proposal for a vice presidents meeting in San Jose. He was also annoyed by the communique signed by the four Central American presidents in Tegucigalpa, during the visit of Costa Rican President-elect Oscar Arias Sanchez. I want you to know that I was the last one to sign the communique. In it we expressed our approval of Salvadoran President Napoleon Duarte's proposal asking the Sandinist government to begin a dialogue with the counter-revolutionaries and that he would do the same with the Salvadoran guerrillas. Apparently these two things annoyed the Nicaraguan authorities because in some way they felt left out. The Honduran Government did not play a particularly active part in any of these decisions.

[Reporter] Mr President, you just said that there are no counterrevolutionary camps in your country. My question is, do you think that the international news media, especially the U.S., not only has been unjust but has lied to the Honduran Government and people, when we all know by photographs and reports of the existence of such camps?

[Azcona] Yes, there are counterrevoltuionary troops. They come and go, and they set up camps. What I mean is that they do not have permanent bases in Honduras. There are probable provisional camps. Any group of persons, either military or civilians, can set up camps wherever they go. However, a base is different from a provisional camp.

[Reporter] The problem of the counterrevolutionaries in Honduran territory, as you have admitted it, is that it gives the Nicaraguans the right to repel their attacks. Could not this affect the relations between your country and Nicaragua?

[Azcona] I do not think so. The Nicaraguan problem is exclusively a problem for the Nicaraguans. If I were the president of Nicaragua, I would not refuse to talk to the counterrevolutionaries nor to any other adversary. If the Communist Party of Honduras asked me for a meeting to discuss Honduran internal affairs, I would immediately say yes. I would not refuse to talk to them. I would not be asking Gorbachev nor any other leader of international communism for permission. I would talk to them because they are Hondurans. I think that the Sandinist government should accept the Nicaraguan democratic parties' proposal, which we feel is reasonable, it makes sense and is logical. The proposal has seven points which was signed by the six Nicaraguan democratic parties: the Independent Liberal Party, the Democratic Liberal Party, the Social Democratic Party, the Social Christian Party, the authentic Conservative Party and the Conservative Party.

Why are the Sandinist authorities opposed to a dialogue among Nicaraguans? I hope no one thinks that I am meddling in Nicaragua's internal affairs. The democrats of Central America would like to see such a dialogue take place so that they can solve their problems. Honduras is not going to attack Nicaragua. Honduras is not going to allow that its territory be used to attack Nicaragua. However, we are not going to use our resources to protect the Sandinist government's back. We do not have any plans to become the guardians of the Nicaraguan Sandinist Government.

REGALADO DISCUSSES SUMMIT, CONDECA REFORMS

PA081258 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 7 May 86

[News conference by Armed Forces Chief General Humberto Regalado Hernandez with unidentified reporters; date and place not given -- recorded]

[Text] [Regalado] We will hold a working meeting with the Armed Forces commanders today to discuss matters of interest for the Armed Forces.

[Reporter] General, what is the significance for the Central American area of the accession to power of a new president at a time that the Central American situation is very difficult?

[Regalado] I feel that politics in Central America gets stronger and stronger because governments and presidents are elected by the people.

[Reporter] Excuse me, General. We reported a few minutes ago that you would not travel to Costa Rica. We would like you to give us some details about your not being there.

[Regalado] I told you a while ago that I cannot travel to Costa Rica for reasons of work. I must welcome a U.S. officers' mission that is coming for a working meeting to be held early tomorrow. The mission is headed by General Thompson. The various commanders will also participate in the meeting because this meeting is very important for the Armed Forces.

[Reporter] Will the presidents' summit meeting to be held soon in Guatemala help pacification of Central America?

[Regalado] Well, I feel this is a good oportunity to exchange views and try to reach a consensus to achieve a civilized solution for this problem in Central America.

[Reporter] Gen Regalado, during a conversation with you some time ago, you said that the reactivation of Condeca [Central American Defense Council] is very important. Can you give us more information about this idea of yours?

[Regalado] In truth, I cannot expand much on Condeca, because although we want to reactivate the organization, we also have to revise the council's past history. From a military standpoint, we feel this reactivation would strengthen friendship among the Central American nations. Considering this, you will notice that there is no specific military organization in Central America to help us establish a military policy in the area.

[Reporter] Your presence and that of other Central American military leaders in Esquipulas might effect a discussion about Condeca during the meeting there?

[Regalado] I feel this would be a good opportunity to exchange views about Condeca's reactivation, provided the area defense ministers attend this meeting.

[Reporter] General, a deadline for the signing of the Contadora peace document has been set. Our representatives in this international group have said the peace document will be signed with or without Nicaragua. The question arises whether pacification in the area can be achieved without taking the Nicaraguan Sandinist regime into consideration.

[Regalado] The truth is that, regarding foreign policy, here is the foreign secretary. I feel he can give you an answer better than mine.

[Reporter] Excuse me, General. I would like to return to Condeca. Could this organization change its nature regarding Central American defense and still retain this acronym? Possibly, Nicaragua would not want to belong to this group. Your opinion?

[Regalado] Well, I can express my opinion from the standpoint of democratic armies. I dare not express an opinion about the Nicaraguan Army because I have not had even the pleasure of meeting these gentlemen.

[Reporter] Would it not be like returning to the Somoza style?

[Regalado] Leftists have always related Condeca to Somozists. To try to avoid this relationship established in the past, as I have told you, we must revise all Condeca policies and perhaps change its acronym.

[Reporter] General, do you have any information about the situation on the Honduran-Nicaraguan border?

[Regalado] Well, as you know, those poor people live in permanent uncertainty. We make considerable efforts to bring some peace to the border people.

[Reporter] Excuse me for insisting on Condeca. Is it possible that a force -- even if it is not Condeca, but some other Central American military organization -- can allow us to guard the long border with Nicaragua, because President Azcona's policy of not guarding the backs of the Sandinist government has been publicized?

[Regalado] No. Each country is sovereign and must abide by the Constitution. Condeca's situation is different. We have been infiltrated by the communist ideology and system, and I feel the Central American armies, being democratic, would take some steps to stop this communist ideology that is progressing through Central America so fast.

[Reporter] Your opinion about President Azcona's statement that Honduras cannot be a gendarme for Nicaragua?

[Regalado] I agree with him. He who has the problem is he who must worry about them.

NICARAGUA

SECURITY GUARANTEES NEEDED FOR CONTADORA PACT

PA090412 Managua International Service in Spanish 0000 GMT 9 May 86

[Text] Nicaraguan Ambassador to the OAS Edgar Parrales has said in Managua that Nicaragua requires security pledges in order to sign the Contadora Group peace document. No one signs a treaty fully aware that with such an action it is committing suicide, Parrales said during a meeting with foreign press correspondents accredited in Managua. Referring to the Contadora Group, the Nicaraguan diplomat gave assurances that it has sufficient vitality to continue its pacifist efforts. Parrales noted the international community's support for these peace efforts for Central America.

AMBASSADOR TUNNERMAN ARRIVES FOR CONSULTATIONS

PA081635 Hamburg DPA in Spanish 1408 GMT 8 May 86

[Text] Managua, 8 May (DPA) -- Nicaraguan Ambassador to Washington Carlos Tunnerman has arrived in Managua after he was summoned by the Sandinist government for consultations, it was reported today in Managua. Meanwhile, "Radio La Primerisima" in Managua broadcast an interview with the diplomat, in which he said that he will discuss with the Sandinist officials the political importance of the International Court of Justice's [ICJ] ruling on the trial brought by Nicaragua against the United States for the mining of Nicaraguan ports 2 years ago.

Approximately 10 merchant and fishing boats were damaged by the explosion of mines that were distributed by CIA agents near Nicaraguan ports in the Pacific and Atlantic Oceans. [as received] Tunnerman said on the radio that the ruling "will have moral force" because the ICJ is the highest tribunal established by the United Nations for the implementation of the principle and norms of international law. Nicaragua has demanded indemnification from the United States for the damage caused by the acts of "state terrorism," as well as a halt to the Reagan administration's hostilities against this country.

FOREIGN MINISTRY REJECTS COSTA RICAN PROTEST

PA052244 Paris AFP in Spanish 2149 GMT 5 May 86

[Text] San Jose, 5 May (AFP) -- The Nicaraguan Foreign Ministry has rejected a protest note from the Costa Rican Government reporting an alleged border incident last April in a place called Monte de Plata. A Nicaraguan note released today in San Jose says that "at no time have members of the Sandinist People's Army, EPS, fired at Costa Rican territory," nor against a Costa Rican Civil Guard patrol, as the Costa Rican note of 23 April states.

"My government," says Foreign Minister Miguel D'Escoto in his note, "maintains a policy of respect for the territorial integrity of states, and it is a country that has the greatest interest in preventing border incidents which could be used to justify new and major aggressions against Nicaragua." D'Escoto also insisted on the need "to have a climate of trust and detente along the border zone."

"For this," he added, "it is necessary to establish mechanisms that are effective in preventing sectors interested in obstructing a stable peace from promoting incidents that will damage the friendly relations that must prevail."

HUPPER CITES ADVANTAGES OF LIQUIDATION DECREE

PA030346 Managua LA PRENSA in Spanish 30 Apr 86 pp 1, 16

[Text] Nicaraguan Finance Minister William Hupper has defended the decree whereby imports are liquidated with private funds. He argued that the measure will allow three things: 1) contribute to stabilizing consumer prices; 2) strengthen formal trade; and 3) increase revenues to the treasury. Speaking at a news conference, Minister Hupper said that those goods strictly necessary for the country will be excluded from the decree.

He said that there will be three types of liquidations: 70 cordobas to the dollar, 380 corobas to the dollar, and 950 cordobas to the dollar. The first kind of liquidation is for the government, industries and other productive sectors. The second is for formal trade. The third is for travellers and street vendors. According to Hupper, imports by street vendors have greatly served to solve the acute problem of imports stemming from the shortage of foreign currency which the Government is experiencing. However, he stated that only 20 percent of the street vendor imports can be classified as necessary. He added: "For that reason, we want to direct imports to essential goods through this decree, which is a measure complementary to the country's economic reorganization."

Hupper said that the measure protects travellers who bring in essential products (spare parts) in noncommercial quantities, and who use them to repair vehicles at their workplaces or for their personal use. Regarding street vendors who imported goods before the decree was issued, the Finance Minister noted that they will not be included in the liquidation of imports so long as they prove that they began their paperwork with the customs officials before the decree was issued. "There are merchants who import goods and leave them at the customs office a long time, that is, they do not do their paperwork on time. The liquidation of imports is done at the date on which the invoice is accepted, Hupper said. [quotation marks as published]

FSLN CONCLUDES EXTRAORDINARY SESSION OF ASSEMBLY

PA090308 Managua International Service in Spanish 0000 GMT 9 May 86

[Text] Today the FSLN invited Nicaraguan political parties to patriotically participate in the historic task of drafting the political constitution of Nicaragua. This appeal was made by the FSLN at the conclusion of the extraordinary session of the Sandinist assembly, which was presided by the National Directorate members. During the meeting, the FSLN ratified its principles and historical commitments with the Nicaraguan people and its determination to institutionalize the revolutionary process.

DEFENSE MINISTRY ON 30 APRIL-5 MAY CLASHES

PA071552 Managua Domestic Service in Spanish 1200 GMT 7 May 86

[Text] According to a press bulletin from the Defense Ministry, from 30 April to 5 May the counterrevolutionary forces suffered a total of 125 casualties including 116 dead, as a result of 26 clashes between troops of the Sandinist People's Army and mercenary groups. The actions took place mainly in Matagalpa, Jinotega, Nueva Segovia, and Zelaya departments.

There were clashes on 30 April, 2 and 3 May in El Prisionero, El Barro, and El Carmen sectors, Jinotega Department, in which the enemy sustained 22 casualties. Other clashes occurred on 30 April, 3 and 5 May in Tontolar, El Zapote, (El Patio hill), Matagalpa Department, during which the enemy sustained 31 casualties. A total of 26 contras were killed during clashes on 1 and 3 May in El Dorado and El Cairo, Nueva Segovia Department. Military equipment was seized from the enemy as a result of these actions.

As part of the terrorist actions carried out by the contras, on 3 May they attacked the Quibuto settlement, located 7 km southwest of San Juan del Rio Coco, Madriz Department, which was heroically defended by the self-defense militia. The mercenaries burned 15 houses, caused the death of 1 civilian, wounded 1, and kidnapped 6 others.

BRIEFS

AGREEMENT WITH CZECHOSLOVAKIA -- Znedek Ostry, president of the Czechoslovak Union of Agricultural Cooperatives, and Daniel Nunez Rodriguez, president of the National Union of Farmers and Cattlemen [UNAG], have signed an important bilateral agreement which will provide technical assistance to Nicaraguan farmers. Ostry said that the agreement will permit the exchange of experiences, specialties, and producers. UNAG members will be able to travel to Czechoslovakia for courses in technical fields, seminars, and meetings with members of cooperatives to gain practical experience. [Summary] [Managua EL NUEVO DIARIO in Spanish 1 May 86 p 7 PA]

REAGAN REMARKS AT TOKYO PRESS CONFERENCE NOTED

FL071333 Havana Tele-Rebelde Network in Spanish 1100 GMT 7 May 86

[Text] Tokyo -- President Ronald Reagan has suggested the possibility of applying punitive measures against any country that, according to him, instigates terrorism, in clear reference, to Libya, Syria, and Iran. At a press conference at the end of the seven industrialist capitalist powers' summit and referring to the joint declaration against terrorist acts signed in Tokyo, Reagan said that from now on terrorism will be dealt with in a united front. The U.S. head of state avoided specifying the joint measures agreed on by the United States and its allies in matters related to what it is called a struggle against terrorism, specifically against Libya.

COMMENTARY SCORES 'OCEAN VENTURE 86' MANEUVERS

FL061839 Havana Tele-Rebelde Network in Spanish 1100 GMT 6 May 86

["Revista de la Manana" international commentary by journalist Juan Francisco Alvarez]

[Text] For the second time in less than 5 years the U.S. Air Force, Navy, and Army will invade Grenada and make a mock attack on the Puerto Rican island of Vieques. In the last 2 weeks there has been unusual movement of planes and troops in U.S. bases on the sister island of Puerto Rico. They are participating in the "Ocean Venture" military maneuvers. I repeat, they are based in Puerto Rico and on aircraft carriers, helicopters carriers, cruisers, and other types of U.S. Navy ships and involve over 20,000 U.S. troops. To give it a touch of Caribbean island color, tens of militry members from the puppet regimes of the islands of Barbados, St Vincent, St Lucia, Jamaica, Montserrat, Grenada, Antigua, Barbuda, and St Kitts-Nevis are also participating in these military exercises. While around 20,000 U.S. troops participate in these war exercises, only about 100 military and/or police members from these islands form the contingent to give an international appearance to the new U.S. war provocation in the Caribbean.

A U.S. Navy spokesman told reporters in Puerto Rico that the aim of these war exercises is to display the U.S. military force and capabilities which will be used when necessary and to protect its national interests by supporting friendly Caribbean countries. He added that these exercises are not expected to disrupt the work of Vieques fishermen and said the maneuvers could be halted to the extent that the fishermen oppose them. In previous years the fisherman have placed their fishing fleets in front of Navy ships to stop them from firing on the island. Vieques fishermen -- Puerto Rican fishermen -- have traditionally guarded Puerto Rico's national dignity each time there is a military exercise in Vieques, which according to the Pentagon and a U.S. press release we received this morning is the only U.S. Navy shooting range in the Atlantic. Each time they attempt to practice their target shooting on the island of Vieques the fishermen place themselves between the land and the U.S. ships and prevent them from firing on the island. Vieques is a source of income for many peasants, and at the same time it is where the Puerto Rican fishermen obtain their food.

The spokesman said the Navy has reiterated that these maneuvers are essential for U.S. national security, inasmuch as, as we said, Vieques is the only U.S. Navy shooting range in the area.

It is important to point out that the government of the so-called Puerto Rican Commonwealth -- that U.S. colony in the Caribbean -- was informed about these huge maneuvers only 2 weeks before they were held, prompting a former governor -- incidentally not known for his efforts to protect the island's national integrity -- Mr Carlos Romero Barcelo, protest and go to a federal court to oppose the maneuvers.

U.S. military exercises in the Caribbean, the occupaton of Grenada -- which is an insult to the sister Grenadian people -- and the shooting on and eventual 48-hour occupation of the island of Vieques to prevent an alleged revolutionary movement in those two small Caribbean islands constitute more humilitation for the countries of the area.

The intransigent attitude of the United States regarding peace in Central America is also reflected in the current military maneuvers in the area. We have to note that the Caribbean is very close -- even Panama is part of the Caribbean -- to the Nicaraguan Atlantic coast. Guatemala and Honduras have Caribbean coasts. This is important, because a U.S. plane participating in these maneuvers against Grenada and the island of Vieques is only a few minutes away from Guatemala, Nicaragua, El Salvador, and, above all, the Central American area of the Panamanian isthmus.

These "Ocean Venture 86" maneuvers once more show the unrestricted warmongering attitude of the current U.S. Administration, headed by Mr Ronald Reagan. This man, who is trying to be the Latin American and Caribbean bully, is going to end like the famous Havana bully story. "Ocean Venture 86", being held in Vieques and Grenada today and tomorrow, is one more demonstration of U.S. imperialism's rapacity, warmongering, and open state terrorism.

BRAZIL'S SARNEY ON DIPLOMATIC RELATIONS

FL071423 Havana Radio Progreso Network in Spanish 1100 GMT 7 May 86

[Text] In Lisbon, Brazilian President Jose Sarney has reiterated that his government is considering resuming diplomatic relations with Cuba, which is consistent with his line of maintaining links with all the countries of the world. At a press conference in the Portuguese capital, Sarney also asserted that he is not willing to use 20 percent of his country's income for the payment of the foreign debt, which he considers a political problem.

PARAGUAYAN OPPOSITION WARNED OF U.S. 'MANEUVER'

PA061604 Havana International Service in Spanish 2300 GMT 5 May 86

["Our America" commentary, read by Manolo Ortega]

[Text] Last Sunday, 4 May, was the 32d anniversary of the coup in Paraguay that led General Alfredo Stroessner to power. The anniversary took place in the midst of the regime's concern over the intensification of the labor movement, the opposition's strong challenge, and the church's repeated calls for a national dialogue, situations which increase the inevitable crisis ailing the lengthy dictatorial process.

For more than 1 year the formerly ferocious Paraguayan dictatorship has been shaken to its very foundations by the awakening of a multisectoral struggle in favor of a democratic change, which has reached its greatest intensity in the past 2 months. Violent police repression of workers who staged a march on 1 May demonstrated how much the regime fears increasing discontent among all of the social sectors, which have taken to the streets to carry out the largest demonstrations in the past 3 decades.

Any relatively informed observer can see that for the past year important changes have taken place among all Paraguayan citizens and among various forms of media that openly report national problems. The repressive measures that have been implemented for some time against the well known Radio Nanduti, and very recently against other media, are an example of the government's effort to silence this combative sector, which has become a platform for the rejection of the regime's arbitrary actions.

We insist on what we have said before. The political events in Paraguay are evidence of the progressive attrition of Gen Stroessner's regime and the beginning of a radicalization process in search of democracy. This democratization process cannot be carried out without a change of government, an inevitable fact that warns of certain maneuvers originating in Washington, aimed at pressuring Stroessner to step down so that a figure loyal to U.S. plans can take his place.

Although somewhat new, the maneuver used in Haiti and the Philippines should be a warning to the Paraguayan opposition, especially in view of increasing rumors about Stroessner's poor health and his eventual retirement to the FRG or other incredible places such as Taiwan. While there is talk of possible successors for the disctator, a fact that heightens schisms within the government, the political parties that form part of the National Pact continue their political activities, and their constant protests are an unprecedented challenge to the old and eroded dictatorship.

CASTRO CONGRATULATES AFGHANISTAN'S NAJIB

LD072314 Kabul Domestic Service in Dari 1600 GMT 7 May 86

[Text] The following congratualtory telegram from Fidel Castro Ruz, first secretary of the Cuban Communist Party Central Committee, has arrived in Kabul addressed to Comrade Najib, general secretary of the People's Democratic Party of Afghanistan Central Committee:

Comrade Najib, general secretary of the PDPA Central Committee; Kabul, Afghanistan:

Please accept our congratualtions on the occasion of your election as general secretary of the PDPA Central Committee. At this time we renew our solidarity with the revolution of Afghanistan in the struggle against imperialist intervention, which openly strengthens and supports the counterrevolutionaries and opposes every just solution through talks, which bring the gift of peace and respect for the sovereignty of your country, they do not let the revolution be fully (?devoted) for the creation of a new and noble life. [sentence as heard]

I am fully confident that the existing fraternal relations between the two parties and our people will yet again develop further. I wish you success in your duties in the leadership of party work.

[Signed] Fidel Castro Ruz,

First secretary of the Communist Party of Cuba Central Committee.

BARBADOS

POLL RESULTS SHOW 28 MAY ELECTIONS VERY CLOSE

FL071321 Bridgetown CANA in English 2136 GMT 6 May 86

[Text] Bridgetown, Barbados, May 6, CANA -- Barbados next general elections -- called today for May 28 -- will find the island's two major political parties more evenly balanced than at any time in the last decade.

The ruling Barbados Labour Party (BLP) will be without ex-Prime Minister Tom Adams, the man who lifted the party from three straight defeats (1961-76) to two consecutive victories (1976 and 1981) and kept the other main group, the Democratic Labour Party (DLP), off balance since the mid-70's. Adams was a British-trained lawyer who combined his mathematician's mind with an incisive command of the language to demolish opponents.

His successor, Bernard St John, 54, is also a London-trained attorney, known here as a tough no nonsense leader, but without Adams' charisma and commanding style. St John in fact came out of a February public opinion poll here trailing DLP leader Errol Barrow by nearly three per cent in public preference for the prime ministership.

Respondents were asked who they thought most suitable to be Barbados prime minister. Some 15.9 per cent picked Barrow, while 13.1 per cent said St John. The last time St John led the BLP in a general election in 1971, the party suffered a crushing defeat at the hands of the DLP, with St John himself losing his seat to a political unknown, Anderson Morrison.

But St John is confident history will not repeat itself: I've been the leader of the Barbados Labour Party over a year now. The people have had an opportunity to judge my competence as a leader and they have had an opportunity to observe my style, he told CANA. I think they are satisfied.

At the same time 10 years without the rigours and pressures of the prime ministership have produced a rejuvenated Barrow, now 66, flanked by comparatively younger lieutenants -- chief among them, Dr Richard Haynes, a medical specialist who has matured as the DLP's foremost spokesman on finance. Haynes, in his reply to St John's 1986 budget, offered a package of proposals that caught the public's imagination and generated near unprecedented debate in the news media here, particularly among influential economists and some bankers.

Puiblic opinion polls, commissioned by the local NATION newspaper and conducted by a Barbadian company, show the BLP and DLP separated by only very narrow margins, among committed voters. But a high proportion of those polled who said either they had no opinions, or who declined to state their preferences, put some doubts as to whether or not the polls accurately reflected the overall voting intentions of the electorate.

The first poll, published in mid-February, said the BLP found 17 per cent support among the committed voters while the DLP had 16.6 per cent. But almost 53 per cent fell into the don't know or won't say categories. A later poll published in April gave the BLP a near two per cent lead over the DLP, but almost 51 per cent of those polled declined to state their preferences. Both the BLP and DLP, in separate comments to the NATION on the polls, found comfort in the results, and both parties expressed confidence the survey results indicated they will win.

A lot of the early attention of both the electorate and analysts here will be focused on a constituency near Bridgetown, where the sitting member, ex-diplomat Dr Donald G Blackman, was bypassed by the BLP in the candidate selection process after a string of disagreements with the party and his public criticism of its late leader, Adams.

Blackman was one of 17 sitting members for the BLP in the 27-member parliament, with the remaining 10 held by the DLP. He has been replaced on the 1986 BLP candidate list by chartered accountant Richard Lynch. The DLP has declined to name a candidate for the constituency, sparking widespread rumours that Dr Blackman, a former Barbados ambassador to the United Nations, will join the opposition ranks. But Dr Blackman has, thus far, given no public clues of his intentions and has been away from the island for sometime now. Public opinion polls published here, however, show him still overwhelmingly popular in the St Micheal-East constituency which he won in his first try in 1981, defeating the DLP's Dr Rameses Caddle.

The elections will essentially be a straight fight between the incumbent BLP and the DLP. But at least two minor political parties, and a handful of independents, have announced their intentions of entering the fray. A final picture of the total number of candidates in the field will emerge next Tuesday, nomination day. But the 27 parliamentary seats at stake will almost certainly be divided between the DLP and BLP.

Elections in the recent political history of his 166 square mile former British Caribbean colony have gradually edged out third parties and independents, leaving the field exclusively to the BLP and DLP. The only serious recent effort to form a third political force in the island came in 1984 from a small group of intellectuals whose leftwing pressure group was upgraded into the Workers Party of Barbados (WPB).

Party leaders announced their intentions to field at least two, possibly three candidates in the forthcoming general elections, while the People's Pressure Movement (PPM), led by veteran political activist Eric Sealy had earlier announced plans to put up some candidates.

More than 172,000 people were registered to vote at the end of March -- about 5,000 more than in the 1981 election -- and the electoral office here promised an updated list by the middle of this month.

JAMAICA

SHEARER ON TERRORISM, MIDDLE EAST, AFRICAN ISSUES

FL071746 Bridgetown CANA in English 1729 GMT 7 May 86

[Text] Kingston, Jamaica, May 7, CANA -- Jamaica's Foreign Minister Hugh Shearer has strongly condemned international terrorism, in a statement to parliament here.

International terrorism is something we condemn, declared Shearer, Jamaica's deputy prime minister, during debate of the government's 1986/87 budget. We support the stand that every effort must be made to stamp it out, but the method deserves careful consideration, he added in a statement viewed here as reflecting some unease with last month's United States bombing of Libya as punishment for its alleged support of terrorists. For several days after the U.S. raid on Tripoli and Bengazhi, Jamaica -- the United States closest ally in the Caribbean -- ignored calls from opposition groups and commentators here for its position to be made clear.

Shearer has since asked to have the matter placed on the agenda of the next Caribbean Community (Caricom) foreign ministers meeting scheduled to be held in Belize this month. The deputy prime minister told parliament yesterday Jamaica believed the issue of international terrorism was an important question...to be examined soberly, taking into accont the whole set of circumstances.

Shearer repeated Jamaica's policy position of the need for a comprehensive settlement of the problems in the Middle East and the right of the Palestinian peoples to a homeland. He called for an Israeli pull back to its 1967 borders, but stressed the right of the Jewish state to exist. A comprehensive settlement (in the MIddle East) is long over-due, Shearer said. All states in the region have a right to exist and the Palestinians have rights as individuals and as a people.

In keeping with regular Jamaica position he denounced South Africa's apartheid system, dismissed as cosmetic the changes being instituted by the white minority government and called for comprehensive sanctions against Pretoria. Shearer has rejected the linking of Namibian independence with the withdrawal of Cuban troops from Angloa and said South Africa should end its illegal hold on the territory.

BUDGET DEBATE BEGINS; SHEARER OPTIMISTIC

FL071546 Bridgetown CANA in English 1520 GMT 7 May 86

[Excerpt] Kingston, Jamaica, May 7, CANA - Jamaica's careful planning and economic adjustment policies over the last few years are paying off, with the island now within sight of being able to borrow without pain, Deputy Prime Minister Hugh Shearer said in parliament here yesterday.

In an optimistic speech during debate of the government's 1986-87 budget, Shearer said that for the second year in a row the anticipated budget deficit of 6.5 percent of the gross domestic product (GDP) -- which measures the level of borrowing -- was met and surpassed with an out-turn of 5.7 percent.

This year the target is set at 4.9 percent which will bring the nation within sight of 4 percent goal, the level to which it can borrow without pain, Shearer said during debate of government's 1986-87 budget of 5.8 billion dollars (LJCD doll; 18 cents U.S.). For the first time in ten years the operating cost of government will be financed entirely out of income, he said.

Shearer listed governments key areas of capital spending for the curent fiscal year, including J175 million dollars on tourism, J200 million dollars for repair or construction of 635 miles road, J100 million dollars to provide water service for a half million people, J62 million dollars to repair and build 173 new schools, J182 million dollars for agricultural credit, J13 million dollars to improve markets, J18 million dollars to improve courts and police stations, and J28 million dollars to build and repair health clinics.

Each item, Shearer said, represents a record level of expenditure, and a grievous need, a measure of the sacrifice and pain this nation has endured.

The deputy prime minister noted that according to the World Bank, the debt burden of the developing countries amounts to some U.S. 900 billion dollars, of which Latin American countries owe one half. But, he felt the international community was at least responding to some of the proposals of the developing countries.

In Jamaica's case, Shearer acknowledged the very considerable help that we receive by the way of technical assistance in the context of our bilateral relaitons and our relations with various multilateral institutions. Countries named were Argentina, Australia, Belgium, Brazil, Canada, Colombia, Dominican Republic, Finland, France, Federal Republic of Germany, Hungary, India, Israel, Italy, Japan, Mexico, Norway, Netherlands, Peru, Saudi Arabia, United Kingdom, United States of American, Union of Soviet Socialist Republics, Venezuela, and Yugoslavia.

CHAMBERS PRAISES SELA ECONOMIC ANALYSIS REPORT

FL071606 Bonaire Trans World Radio in English 1130 GMT 7 May 86

[Text] Trinidad and Tobago Prime Minister George Chambers has praised the economic analysis done by the Latin American Economic System or SELA including a study on the U.S. administration's Caribbean Basin Initiative. The group has strongly criticized the U.S. program saying it has failed to do significant reforms in trade and investments in the Caribbean basin.

Mr Chambers today completes a 3-day official visit to Venezuela, made his comments during a visit to the SELA headquarters when he met with diplomats representing the 24-member countries of the group. SELA is an organization of Caribbean and Latin American countries specifically to articulate common positions and economic and trade issues. Mr Chambers also met yesterday with business and labor groups in an effort to forge stronger ties between his twin-island nation and Venezuela. He is expected to sign a joint-statement today with President Jaime Lusinchi. Details of the document have not been released but speculation centers on increased trade ties which might include sale of Venezuelan crude oil to Trinidad and finalization of an agreement to settle fishing disputes in waters between the two countries.

JOINT COMMUNIQUE ISSUED ON CHAMBERS' VENEZUELA VISIT

FL081404 Bridgetown CANA in English 1350 GMT 8 May 86

[Text] Port of Spain, Trinidad, May 8, CANA -- Following is the text of a joint communique issued in Caracas yesterday at the end of formal talks between visiting Trinidad and Tobago Prime Minister George Chambers and Venezuelan President Jaime Lusinchi:

The prime minister and the president, while expressing their satisfaction with respect to the strengthening of Democratic institutions in Latin America and the Caribbean, reiterated their commitment to a political system based on popular representation and to a social and economic order based on justice and equity.

They pledged their fullest support for the efforts of the countries of the Caribbean which are endeavouring to live in freedom, to preserve their sovereignty and independence and to attain higher levels of economic and social development.

With respect to the present crisis in Central America, the prime minister of Trinidad and Tobago reaffirmed his government's support for the efforts of the Contadora Group towards a peaceful solution to the problems in Central America.

Both the prime minister and the president agreed to introduce greater dynamism into rheir political co-operation through regular exchanges of information and consultation as appropriate on matters of common interest.

In considering the present international economic situation both leaders stressed their common concern over the influence exerted by external factors on their respective economies.

They exchanged views on the current instability of the international petroleum market, its effects on the economies of countries such as theirs and its implications for the international economy as a whole. In this regard, the prime minister and the president emphasised the urgent need for petroleum exporting countries, whether members of OPEC or not, to agree on measures which would bring to an end the present crisis affedting petroleim prices and thus promote greater economic and social development as well as international peace and stability.

The prime minister and the president reviewed their efforts at co-operation in the petroleum industry and agreed to explore all avenues for futher collaboration, to increase their contacts and to maintain a continuous exchange of information on matters of mutual interest.

The prime minister and the president also agreed on the need to strengthen existing economic and commercial ties between both countries in the context of a mutually beneficial co-operative relationship and to accelerate the implementation of economic, technical, scientific, and cultural co-operation programmes and projects.

Desirous of obtaining early tangible results, they noted with satisfaction that in preparation for the fourth meeting of the Trinidad and Tobago-Venezuela mixed commission in June 1986, preliminary meetings are being held to consider and promote bilateral trade and joint ventures in manufacturing, transport, and tourism. They mandated their relevant organisations to ensure that their deliberations result in positive and meaningful recommendations which will be capable of immediate implementation.

With respect to the serious problem of the illicit traffic in drugs, the prime minister and the president agreed to strengthen multilateral and bilateral efforts to combat and eradicate this problem particularly as it affects both countries. They emphasised the importance they both attach to the signing, as soon as possible, of a bilateral agreement on the prevention, control, and suppression of the illicit traffic and use of narcotic and psychotropic substances. A draft agreement submitted by the Government of Venezuela is being actively considered by the government of Trinidad and Tobago.

The prime minister and the president emphasized their particular satisfaction at the entry into force of the fishing agreement signed in Port-of-Spain in November 1985, through the exchange of notes during the course of the visit. They looked forward to the work of the fisheries commission established under the agreement, particularly as it related to the monitoring of its provisions, and the exchange of data and joing research for the evaluation of their fisheries resources.

The prime minister and the president took note of the programmes in cultural co-operation being develped by Trinidad and Tobago and Venezuela through their respective embassies and the Venezuelan institute for culture and co-operation with headquarters in Port-of-Spain. They expressed satisfaction at the progress achieved which has contributed to closer relations and has promoted better understanding and greater knowledge between the peoples of the two countries.

The exchange of notes during the visit on a visa abolition agreement for diplomatic, official, and service passports represents yet another step forward in the enhanced relations between the two countries. In the same spirit, the prime minister and the president expressed their satisfaction at the imminent opening of a Trinidad and Tobago consular office in Eastern Venezuela, which would greatly contribute to increasing and strengthening co-operation and integration links between both countries.

The prime minister and the president reviewed the work completed by the Trinidad and Tobago-Venezuela negotiating team and expressed their satisfaction with the progress achieved in relation to the delimitation of the marine and submarine areas of the Caribbean Sea, the Gulf of Paria, the Serpents Mouth and the south-east of Trinidad in the Atlantic. They reiterated the commitment of both governments to continue the negotiations with respect to the other marine and submarine areas in the Atlantic, in order to achieve as soon as possible a delimitation of all the marine and submarine areas that is acceptable and satisfactory to both parties.

The president of Venezuela accepted the invitation extended to him by th prime minister of Trinidad and Tobago to pay an official visit to Trinidad and Tobago at an early date.

The prime minister of Trinidad and Tobago expressed his deep appreciation to the government and people of Venezuela for the gracious hospitality extended to him and his delegation throughout his visit. (end of text)

TURKS-CAICOS ISLANDS

MINISTER RESIGNS; IMPLICATED IN ARSON, CORRUPTION

FL071523 Bonaire Trans World Radio in English 1130 GMT 7 May 186

[Text] An investigation of alleged arson and corruption in the Turks and Caicos Islands has lead to the resignation of one of the British Teritories Government's ministers. Development Commerce and Industry Minister Mr Stafford Missick has resigned his cabinet post but not his seat on the legislative council.

In his letter of resignation Mr Missick said there had been gross errors of judgement at the ministerial level in the handling of matters being investigated by a commission of public inquiry. The commission of inquiry is look into alleged arson in a New Year's Eve blaze and charges of corruption in the public works department. A public works foreman tape-recorded conversations with two opposition party leaders in which they allegedly favored a tax on buildings and officials as way of forcing the government to call elections.